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TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10251

SUSPENSION OF THE EIGHT-HOUR LAW AS TO LABORERS AND MECHANICS EMPLOYED BY THE DEPARTMENT OF DEFENSE ON PUBLIC WORK ESSENTIAL TO THE NATIONAL DEFENSE

WHEREAS by Proclamation No. 2914 of December 16, 1950, I proclaimed the existence of a national emergency, which requires that the military, naval, air, and civilian defenses of this country be strengthened as speedily as possible; and

WHEREAS by section 1 of the act of August 1, 1892, 27 Stat. 340, as amended by the act of March 3, 1913, 37 Stat. 726 (40 U. S. C. 321), the service or employment of all laborers and mechanics employed by the Government of the United States upon any public work of the United States is limited to eight hours in any one calendar day, except in case of extraordinary emergency; and

WHEREAS I find that as to public work being performed by the Department of Defense an extraordinary emergency exists:

NOW, THEREFORE, by virtue of the authority vested in me by section 1 of the said act of August 1, 1892, as amended by the said act of March 3, 1913, and as President of the United States, I hereby suspend for the duration of the national emergency proclaimed by me on December 16, 1950, the above-mentioned provisions of law prohibiting more than eight hours of labor in any one calendar day by laborers and mechanics employed by the Government of the United States as to all work performed by laborers and mechanics employed by the Department of Defense on any public work which is essential to the national defense: *Provided*, That the wages of all laborers and mechanics so employed by the Department of Defense shall be computed on a basic day rate of eight hours of work with overtime to be paid at time and one-half for all hours of work in excess of eight hours in any one day.

Executive Order No. 9898 of October 14, 1947, as amended by Executive Order No. 9926 of January 17, 1948, and as extended by Executive Orders No. 9974 of July 1, 1948, No. 10064 of June 30, 1949, and No. 10135 of June 30, 1950, is hereby superseded; but nothing contained in this order shall prejudice any action heretofore taken under or pursuant to the said Executive Order No. 9898 as amended and extended.

HARRY S. TRUMAN

THE WHITE HOUSE,
June 7, 1951.

[F. R. Doc. 51-6746; Filed, June 7, 1951; 12:40 p. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Elberta Peach Order 1]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.400 *Elberta Peach Order 1*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Elberta Peach Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of Elberta peaches, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth,

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THE PRESIDENT

EXECUTIVE AGENCIES

FEDERAL REGISTER

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the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective not later than June 15, 1951. A reasonable determination as to the supply of, and the demand for, such peaches must await the development of the crop and adequate information thereon was not available to the Elberta Peach Commodity Committee until May 16, 1951; recommendation as to the need for, and the extent of, regulation of shipments of such peaches was made at the meeting of said committee on May 16, 1951, after consideration of all available information relative to the supply and demand conditions for such peaches, at which time the recommendation and supporting information was submitted to the Department; necessary supplemental data for consideration in connection with the specification of the provisions of this section were not available until May 25, 1951; shipments of the current crop of such peaches are expected to begin on or about June 28, 1951, and this section should be applicable to all shipments of such peaches in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time of this section.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., June 15, 1951, and ending at 12:01 a. m., P. s. t., September 17, 1951, no shipper shall ship:

(i) Any package or container of Elberta peaches containing peaches which are not well matured (as such term is defined in subparagraph (2) of this paragraph), with a tolerance of twenty-five (25) percent, by count, for peaches which are mature but not well matured in addition to any tolerance for immature peaches allowed by the U. S. No. 1 grade;

(ii) Any package or container of Elberta peaches containing peaches which are smaller than a size that will pack 72 peaches of the size known commercially as size 70 in a No. 12B California peach box in accordance with the requirements prescribed for a standard pack: *Provided*, That with respect to each individual load of Elberta peaches shipped by a handler a quantity of packages and containers of Elberta peaches not in excess of five (5) percent, by count of the packages and containers comprising the respective load, may contain peaches that are of a size not smaller than a size that will pack 78 peaches of the size known commercially as size 75 in a No. 12B California peach box in accordance with the requirements prescribed for a standard pack: *Provided further*, That, for the purpose of determining whether ripe Elberta peaches meet the aforesaid minimum size requirements, such peaches shall be fairly tightly packed rather than tightly packed, as prescribed for a standard pack; and the aforesaid sizes known commercially as size 75 and size 70 are defined more specifically in subparagraphs (3) and (4), respectively, of this paragraph; or

(iii) Any package or container of Elberta peaches containing peaches which do not meet the requirements of the U. S. No. 1 grade: *Provided*, That (*a*) with respect to ripe Elberta peaches which are not smaller than size 75, as aforesaid, the requirements of such grade shall not include freedom from damage, other than serious damage, caused by bruises;

and (*b*) with respect to Elberta peaches which are not smaller than the size known commercially as size 55, a tolerance of 5 percent for defects not causing serious damage shall be allowed in addition to the tolerances provided for such grade; and the aforesaid size known commercially as size 55 is defined more specifically in subparagraph (5) of this paragraph.

(2) "Peaches which are well matured" means peaches which, at the time of picking (i) are not hard; (ii) have shoulders and sutures well filled out; (iii) when ring cut, have flesh that separates from the pit readily and cleanly, and is red colored next to the pit; and (iv) have skin and flesh yellowish green to yellow in color. "Peaches which are not hard" yield to moderate pressure at least slightly at the suture and tip and at least very slightly elsewhere.

(3) As used in this section, the size of Elberta peaches known commercially as size 75 is defined more specifically as being the size that will pack the aforesaid California peach box in accordance with the aforesaid standard pack specifications with two tiers, each having three rows of six peaches each and three rows of seven peaches each with no peach small enough to pass through, without using pressure, a rigid ring of inside diameter of 2¼ inches.

(4) As used in this section, the size of Elberta peaches known commercially as size 70 is defined more specifically as being the size that will pack the aforesaid California peach box in accordance with the aforesaid standard pack specifications with two tiers having six rows of six peaches each with no peach small enough to pass through, without using pressure, a rigid ring of inside diameter of 2⅜ inches.

(5) As used in this section, the size of Elberta peaches known commercially as size 55 is defined more specifically as being the size that will pack the aforesaid California peach box in accordance with the aforesaid standard pack specifications with two tiers, one tier having two rows of five peaches each and three rows of six peaches each and the other tier having two rows of six peaches each and three rows of five peaches each with no peach small enough to pass through, without using pressure, a rigid ring of inside diameter of 2¾ inches.

(6) Each shipper, prior to making each shipment of Elberta peaches, shall, during the period set forth in subparagraph (1) of this paragraph, have the peaches included in each such shipment inspected by a duly authorized representative of the Federal-State Inspection Service, heretofore designated by the Elberta Peach Commodity Committee and hereby approved; and each such shipper shall submit promptly, or cause to be submitted promptly, to the Elberta Peach Commodity Committee, Federal-State shipping point inspection certificates stating the grades and sizes of the Elberta peaches contained in each such lot or shipment: *Provided*, That, in case the following conditions exist in connection with any such shipment:

(i) A written request for inspection is made to the Federal-State Inspection Service not later than 5:00 p. m. of the day before the fruit will be available for inspection;

(ii) The shipper designates in such request the date and hours when the fruit will be available for inspection; and

(iii) The Federal-State Inspection Service furnishes the shipper with a signed statement that it is not practicable, under such conditions, for the Federal-State Inspection Service to make the inspection within the necessary time;

the shipper, by submitting or causing to be submitted promptly such signed statement to the Elberta Peach Commodity Committee, may make the particular shipment without inspection, but such shipper shall comply with all grade and size regulations applicable to such shipment.

(7) Terms used in the amended marketing agreement and order shall, when used in this section, have the same meaning as given to the respective term in said amended marketing agreement and order; the terms "bruises," "defects," "damage," "serious damage," "standard pack," "tightly packed," "fairly tightly packed" shall have the same meaning as when used in the United States Standards for Peaches (7 CFR 51.312); the terms "No. 12B California peach box" shall have the same meaning as set forth in section 828.25 of the Agricultural Code of California; and the term "individual load" means the total number of packages and containers of Elberta peaches loaded into a railroad car, truck, or other means of conveyance.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 6th day of June 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-6726; Filed, June 8, 1951; 8:53 a. m.]

[Lemon Reg. 385, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice and engage in public rule-making procedure (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient; and this amendment relieves restrictions on the handling of lemons grown in the State of California or in the State of Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.492 (Lemon Regulation 385, 16 F. R. 5156) are hereby amended to read as follows:

(ii) District 2: 700 carloads.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 7th day of June 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-6788; Filed, June 8, 1951; 9:18 a. m.]

[Lemon Reg. 386]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.493 *Lemon Regulation 386*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 14 F. R. 3612), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth.

Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on June 6, 1951; such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., June 10, 1951, and ending at 12:01 a. m., P. s. t., June 17, 1951, is hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 700 carloads;

(iii) District 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorate base schedule which is attached to Lemon Regulation No. 385 (16 F. R. 5156), and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "carloads," "prorate base," "District 1," "District 2," and "District 3" shall have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 7th day of June 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-6789; Filed, June 8, 1951; 9:18 a. m.]

[Orange Reg. 375]

PART 966—ORANGES GROWN IN CALIFORNIA OR IN ARIZONA

LIMITATION OF SHIPMENTS

§ 966.521 *Orange Regulation 375*—(a) *Findings.* (1) Pursuant to the provisions of Order No. 66, as amended (7 CFR Part 966; 14 F. R. 3614), regulating the handling of oranges grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Orange Administrative Committee, established under the said amended order, and upon other available information, it is hereby found that the limitation of the quantity of such oranges which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. Shipments of oranges, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Orange Administrative Committee on June 7, 1951, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) Subject to the size requirements in Orange Regulation 372 (7 CFR 966.518; 16 F. R. 4678), the quantity of oranges grown in the State of California or in the State of Arizona which may be handled during the period beginning 12:01 a. m., P. s. t., June 10, 1951, and ending at 12:01 a. m., P. s. t., June 17, 1951, is hereby fixed as follows:

(i) *Valencia oranges.* (*a*) Prorate District No. 1: Unlimited movement;

(*b*) Prorate District No. 2: 1,275 carloads;

(*c*) Prorate District No. 3: Unlimited movement;

(*d*) Prorate District No. 4: Unlimited movement.

(ii) *Oranges other than Valencia oranges.* (*a*) Prorate District No. 1: No movement;

(*b*) Prorate District No. 2: Unlimited movement;

(*c*) Prorate District No. 3: No movement;

(*d*) Prorate District No. 4: No movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended order, is hereby fixed in accordance with the prorate base schedule which is set forth below and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "varieties," "carloads," and "prorate base" shall have the same meaning as when used in the said amended order; and the terms "Prorate District No. 1," "Prorate District No. 2," "Prorate District No. 3," and "Prorate District No. 4" shall each have the same meaning as given to the respective terms in § 966.107, as amended (15 F. R. 8712), of the current rules and regulations (7 CFR 966.103 et seq.), as amended (15 F. R. 8712).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 8th day of June 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

PRORATE BASE SCHEDULE

[12:01 a. m., P. d. s. t., June 10, 1951, to 12:01 a. m. P. d. s. t., June 17, 1951]

VALENCIA ORANGES

Prorate District No. 2

Handler	*Prorate base (percent)*
Total	100.0000
A. F. G. Alta Loma	0.0751
A. F. G. Corona	.0435
A. F. G. Fullerton	.8545
A. F. G. Orange	.3449
A. F. G. Riverside	.1280
A. F. G. San Juan Capistrano	.5731
A. F. G. Santa Paula	.5116
Eadington Fruit Co., Inc	5.5648
Hazeltine Packing Co	.3398
Krinard Packing Co	.1999
Placentia Cooperative Orange Association	.5124
Placentia Pioneer Valencia Growers Association	.6039
Signal Fruit Association	.1011
Azusa Citrus Association	.5146
Covina Citrus Association	1.0310
Covina Orange Growers Association	.5373
Damerel-Allison Association	.7209
Glendora Citrus Association	.4129
Glendora Mutual Orange Association	.3392
Valencia Heights Orchard Association	.3962
Gold Buckle Association	.4583
La Verne Orange Association	.7084
Anaheim Valencia Orange Association	1.1323
Fullerton Mutual Orange Association	2.6487
La Habra Citrus Association	1.1336
Yorba Linda Citrus Association, The	.9882
Escondido Orange Association	2.3616
Alta Loma Heights Citrus Association	.0582
Citrus Fruit Growers	.1417
Etiwanda Citrus Fruit Association	.0323
Mountain View Fruit Association	.0000
Old Baldy Citrus Association	.1107
Rialto Heights Orange Growers	.0569

PRORATE BASE SCHEDULE—Continued

VALENCIA ORANGES—continued

Prorate District No. 2—Continued

Handler	Prorate base (percent)
Upland Citrus Association	0.4117
Upland Heights Orange Association	.1480
Consolidated Orange Growers	1.8496
Frances Citrus Association	1.1500
Garden Grove Citrus Association	1.7274
Goldenwest Citrus Association	1.7445
Irvine Valencia Growers	3.4044
Olive Heights Citrus Association	2.0376
Santa Ana-Tustin Mutual Citrus Association	.9219
Santiago Orange Growers Association	3.7657
Tustin Hills Citrus Association	1.8922
Villa Park Orchards Association, The	2.0539
Bradford Bros., Inc	.9155
Placentia Mutual Orange Association	3.5792
Placentia Orange Growers Association	3.2813
Yorba Orange Growers Association	.8404
Call Ranch	.0703
Corona Citrus Association	.4694
Jameson Co	.1321
Orange Heights Orange Association	.5956
Crafton Orange Growers Association	.2674
East Highland Citrus Association	.0610
Redlands Heights Groves	.1943
Redlands Orangedale Association	.1661
Rialto-Fontana Citrus Association	.0967
Break & Son, Allen	.0465
Bryn Mawr Fruit Growers Association	.1063
Mission Citrus Association	.1486
Redlands Cooperative Fruit Association	.2635
Redlands Orange Growers Association	.1507
Redlands Select Groves	.2258
Rialto Orange Co	.2012
Southern Citrus Association	.1199
United Citrus Growers	.2238
Zilen Citrus Co	.0380
Arlington Heights Citrus Co	.1343
Brown Estate, L. V. W	.1322
Gavilan Citrus Association	.1442
Highgrove Fruit Association	.0612
McDermont Fruit Co	.1206
Monte Vista Citrus Association	.2461
National Orange Co	.0503
Riverside Heights Orange Growers Association, The	.0330
Sierra Vista Packing Association	.0424
Victoria Avenue Citrus Association	.2039
Claremont Citrus Association	.0946
College Heights Orange and Lemon Association	.3550
Indian Hill Citrus Association	.2256
Pomona Fruit Growers Exchange	.3136
Walnut Fruit Growers Asociation	.5448
West Ontario Citrus Asociation	.1865
El Cajon Valley Citrus Association	.2271
Escondido Cooperative Citrus Association	.3063
San Dimas Orange Growers Association	.3215
Canoga Citrus Association	.8991
North Whittier Heights Citrus Association	.9782
San Fernando Heights Orange Association	.7812
Sierra Madre-Lamanda Citrus Association	.3372
Camarillo Citrus Association	1.3657
Fillmore Citrus Association	3.1118
Mupu Citrus Association	1.9567
Ojai Orange Association	.6752
Piru Citrus Association	2.1546
Rancho Sespe	.7912
Santa Paula Orange Association	1.0687
Tapo Citrus Association	.9852
Ventura County Citrus Association	.3802
Limoneira Co	.4098

PRORATE BASE SCHEDULE—Continued

VALENCIA ORANGES—continued

Prorate District No. 2—Continued

Handler	Prorate base (percent)
East Whittier Citrus Association	0.3576
Murphy Ranch Co	.8179
Anaheim Cooperative Orange Association	1.7956
Bryn Mawr Mutual Orange Association	.1051
Chula Vista Mutual Lemon Association	.0892
Euclid Avenue Orange Association	.5697
Foothill Citrus Union, Inc	.1216
Fullerton Cooperative Orange Association	.3767
Garden Grove Orange Cooperative, Inc	1.1616
Golden Orange Groves, Inc	.1885
Highland Mutual Groves, Inc	.0093
Index Mutual Association	.4231
La Verne Cooperative Citrus Association	1.7265
Mentone Heights Association	.0355
Olive Hillside Groves, Inc	.5628
Orange Cooperative Citrus Association	1.6680
Redlands Foothill Groves	.4144
Redlands Mutual Orange Association	.1551
Ventura County Orange & Lemon Association	1.1873
Whittier Mutual Orange & Lemon Association	.1565
Babijuice Corporation of California	1.0126
Banks, L. M	.7256
Becker, Samuel Eugene	.0096
Bennett Fruit Co	.0980
Borden Fruit Co	.5340
Cherokee Citrus Co., Inc	.1104
Chess Co., Meyer W	.3829
Dozier, Paul M	.0128
Dunning Ranch	.0500
Evans Bros. Packing Co	1.0211
Gold Banner Association	.1771
Granada Hills Packing Co	.0337
Granada Packing House	1.2594
Hill Packing Co., Fred A	.0640
Johnson, Fred	.0058
Knapp Packing Co., John C	.5864
L Bar S Ranch	.1115
Lawson, William J	.0069
Lima & Sons, Joe	.1162
Orange Belt Fruit Distributors	1.4289
Orange Hill Groves	.0069
Otte, Arnold	.0659
Panno Fruit Co., Carlo	.9594
Paramount Citrus Association	.6663
Patitucci, Frank L	.0092
Placentia Orchard Co	.5343
Prescott, John A	.0195
Redlands Fruit Association, Inc	.0093
Riverside Citrus Association	.0240
Ronald, P. W	.0214
Ronneberg, Jerry L	.0000
San Antonio Orchard Co	.3116
Schwaer, Erwin & Arthur	.0149
Stephens, T. F	.2286
Summit Citrus Packers	.0167
Treesweet Products Co	.2199
Wall, E. T., Grower-Shipper	.1179
Western Fruit Growers, Inc	.4812

[F. R. Doc. 51-6806; Filed, June 8, 1951; 11:21 a. m.]

TITLE 8—ALIENS AND NATIONALITY

Chapter IV—Displaced Persons Commission

PART 702—SELECTION AND ELIGIBILITY

SUBVERSIVES AND UNDESIRABLES

Paragraph (f) of § 702.8 of Chapter IV, Title 8 (16 F. R. 3031) is hereby amended to read as follows:

§ 702.8 *Subversives and undesirables.*

* * *

(f) Has voluntarily borne arms in armed forces or auxiliary organizations against the United States or its Allies on the Western Front (including North Africa and Italy) during that period of World War II beginning on December 8, 1941; a person shall not be deemed so to have served voluntarily if he establishes that he was compelled against his will to serve in armed forces or auxiliary organizations, against the United States or its Allies on the Western Front. A person who establishes that he has been inducted into the armed forces (1) when under 16 years of age or (2) by operation of law, official act, proclamation, order, or decree, may be deemed, prima facie, not to have served voluntarily in such armed forces during the period covered by such compulsory service. The term "borne arms" shall apply to persons who served in armed forces or auxiliary organizations.

The foregoing amendment shall be effective upon the date of publication in the FEDERAL REGISTER. Compliance with the provisions of section 4 (a) of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) as to notice of proposed rule making is found to be contrary to the public interest because Public Law 774, 80th Congress (62 Stat. 1009), as amended by the act of June 16, 1950, which was implemented by the regulations which became effective on June 17, 1950, and the amendment to the regulations which became effective on April 7, 1951, and which is further implemented by the foregoing amendment, and the execution of functions of the Displaced Persons Commission under that statute would be unduly impeded by such notice. For the same reason it is found that the provisions of section 4 (c) of the Administrative Procedure Act providing for delayed effective date are inapplicable.

(Sec. 8, 62 Stat. 1012, as amended; 50 U. S. C. App., 1957. Interprets or applies sec. 13, 62 Stat. 1014; 50 U. S. C. App., 1962)

JOHN W. GIBSON,
Chairman,
Displaced Persons Commission.

[F. R. Doc. 51-6745; Filed, June 8, 1951; 8:54 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Federal Security Agency

PART 1—REGULATIONS FOR ENFORCEMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT

IMPORTS AND EXPORTS

Correction

In Federal Register Document 51-6009, published at page 4929 of the issue for Friday, May 25, 1951, the footnote for § 1.315 (b) should read as follows:

[1] For a list of districts of the Food and Drug Administration, see the FEDERAL REGISTER of November 27, 1948 (13 F. R. 6983) and May 1, 1951 (16 F. R. 3817).

PART 141—TESTS AND METHODS OF ASSAY FOR ANTIBIOTIC AND ANTIBIOTIC-CONTAINING DRUGS

PART 146—CERTIFICATION OF BATCHES OF ANTIBIOTIC AND ANTIBIOTIC-CONTAINING DRUGS

l-EPHENAMINE PENICILLIN G PREPARATIONS

Correction

In F. R. Document 51-6576, appearing in the issue for Thursday, June 7, 1951, at page 5395, make the following changes:

1. In the fourth line of § 141.43 delete the words "of this section".

2. In the fifth line of § 141.43 (h), the word "diute" should read "dilute".

3. In the ninth line of § 146.64, "dl-N-methyl-1" should read "*dl*-N-methyl-1".

4. Delete the comma following the word "intervals" in the seventh line of § 146.66 (d) (3) (i).

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 5843]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

TIME FOR FILING RETURNS OF INCOME FOR 1950 EXTENDED IN THE CASE OF CERTAIN U. S. EMPLOYEES

PARAGRAPH 1. Pursuant to the authority contained in section 53 (a) (2) of the Internal Revenue Code, an extension of time for filing the return of income for the calendar year 1950 is hereby granted up to and including September 15, 1951, in the case of a citizen who during such calendar year was an employee of the United States or of any agency thereof, whether civilian, military, or naval, and who is required to file a return of income for such year solely because of the amendment made to section 251 of the Internal Revenue Code by section 220 of the Revenue Act of 1950, approved September 23, 1950. See §§ 29.53-1 to 29.53-5, inclusive, of Treasury Regulations 111 for the time and place for filing returns.

PAR. 2. This Treasury decision shall be effective upon its being filed for publication in the FEDERAL REGISTER.

Because this Treasury decision merely relieves certain taxpayers from a requirement respecting the filing of returns of income for the calendar year 1950, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of such act.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791. Interprets or applies 53 Stat. 28; 26 U. S. C. 53)

[SEAL] FRED S. MARTIN,
Acting Commissioner of Internal Revenue.

Approved: June 6, 1951.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 51-6723; Filed, June 8, 1951; 8:53 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter A—Aid of Civil Authorities and Public Relations

PART 503—ARREST AND CONFINEMENT OF PERSONS NOT SUBJECT TO MILITARY LAW

APPREHENSION AND RESTRAINT

Section 503.1 is rescinded and the following substituted therefor:

§ 503.1 *Persons not subject to military law.* Persons not subject to military law may be apprehended or restrained by members of the Army Establishment, as follows:

(a) *General.* All members of the Army Establishment have the ordinary right and duty of civilians to assist in the maintenance of the peace. Where, therefore, a felony or a misdemeanor amounting to a breach of the peace is being committed on a military reservation, it is the right and duty of every member of the military service, as of every civilian, to apprehend the perpetrator no matter what his status.

(b) *Restraint.* The restraint imposed by paragraph (a) of this section will not exceed that reasonably necessary, nor extend beyond such time as may be required to dispose of the case by orderly transfer of custody to civil authority or otherwise, under the law.

(c) *Ejection.* Persons not subject to military law who are found within the limits of military jurisdiction in the act of committing a breach of regulations, not amounting to a felony or a breach of the peace, may be removed therefrom upon order from the commanding officer and ordered by him not to reenter. For penalty imposed upon reentrance after ejection, see act June 25, 1948 (62 Stat. 1765; 18 U. S. C. 1382), as amended.

[AR 600-320, May 17, 1951] (R. S. 161; 5 U. S. C. 22)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
Acting The Adjutant General.

[F. R. Doc. 51-6696; Filed, June 8, 1951; 8:48 a. m.]

Subchapter E—Organized Reserves

PART 561—OFFICERS' RESERVE CORPS

APPOINTMENT IN WOMEN'S ARMY CORPS SECTION

Section 561.19 is amended to read as follows:

§ 561.19 *Appointment in the Women's Army Corps section*—(a) *Grade of appointment in Active Reserve*—(1) *For appointment in Organized Reserve to fill vacancies in ORC program units.* Initial appointments normally will be in the grade of second lieutenant. However, where detail of WAC personnel to another section is authorized, qualified applicants may apply for appointment in the WAC section and concurrent detail to an appropriate section. In cases of authorized detail, grade of appointment in the WAC section will be the same grade as authorized for the appointment of male applicants of similar qualifications.

(2) *For appointment in Volunteer Reserve.* (i) In the grade of second lieutenant under a continuing program, within quotas to be announced periodically by the Department of the Army for each army area.

(ii) In grades up to and including captain for qualified applicants whose services are desired for active military service for basic branch (WAC) requirements in the Army.

(b) *Limitation on appointments in Active Reserve*—(1) *For Organized Reserve.* Appointments will be made only to fill a vacancy in a unit of the ORC troop program when:

(i) The applicant is considered qualified to perform the normal duties of the vacancy.

(ii) Assignment of WAC personnel is in conformity with special regulations.

(iii) There is no qualified officer of appropriate grade available for the assignment.

(2) *For Volunteer Reserve.* (i) Appointment as second lieutenant under the continuing program indicated in paragraph (a) (2) (i) of this section, will be made within authorized quotas when:

(*a*) Applicant is qualified for training in a potential military occupational specialty for which training facilities exist.

(*b*) Applicant's residence will permit full participation in the training.

(ii) Applications for appointment and concurrent active military service may be accepted when services are desired for basic branch (WAC) requirements for active military service and when qualified officers of the Active or Inactive Reserve are not available.

(c) *General requirements.* Applicants must meet the requirements of §§ 561.2 to 561.10.

(c) *Special requirements.* (1) For appointment applicant must have a baccalaureate degree from an accredited college or university recognized by the Federal Security Agency, United States Office of Education, as listed in part 3, Educational Directory, Higher Education, must be within the age group and have a minimum of qualifying experience, as follows:

Officer grade	Age group (years)	Qualifying college education and/or experience (years)
Second lieutenant	21-27	4
First lieutenant	28-33	7
Captain	34-39	11

(2) Area commanders may grant a waiver of college degree for those individuals having 120 or more satisfactory semester hours gained through attendance at an accredited college or university. Such waiver will be made a part of the individual's application.

(3) Applicants must have had qualifying experience as follows:

(i) For appointment and concurrent detail to an appropriate section, as indicated under paragraph (a) (1) of this section, must meet the requirements prescribed for appointment in the section to which detail is requested.

(ii) For appointment and concurrent active military service, must have a background of experience in teaching, business, recreation, personnel administration, advertising or other fields requiring leadership and supervision of personnel.

(e) *Application.* Individuals applying for appointment or for appointment and concurrent active military service will submit applications and allied forms as required by § 561.13.

(f) *Other WAC appointments.* (1) Former WAC officers, female officers, and former female officers of other Armed Forces of the United States may apply for appointment in the WAC section of the Officers' Reserve Corps under § 561.14.

(2) Qualified female enlisted reservists and WAC enlisted personnel may apply for appointment under § 561.15.

(g) *Appointment for detail to Army security section or Military Intelligence section.* The provisions of §§ 561.2 to 561.10 which pertain to appointments in the Army Security and Military Intelligence sections of the Officers' Reserve Corps are applicable to applicants for appointment in the WAC section who request appointment to fill vacancies in Military Intelligence or Army Security units of the ORC troop program.

[SR 140-105-7, May 21, 1951] (62 Stat. 362; 10 U. S. C. 378)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
Acting The Adjutant General.

[F. R. Doc. 51-6672; Filed, June 8, 1951; 8:45 a. m.]

Subchapter G—Procurement

PART 590—GENERAL PROVISIONS

PART 591—PROCUREMENT BY FORMAL ADVERTISING

PART 592—PROCUREMENT BY NEGOTIATION

MISCELLANEOUS AMENDMENTS

The following amendments to Subchapter G are issued.

1. Part 590 is amended by adding §§ 590.354 to 590.354–5, as follows:

§ 590.354 *Synopses of proposed procurements.*

§ 590.354–1 *Statement of policy.* (a) It is the policy of the Army that, consistent with security requirements, negotiated and advertised procurements exceeding $10,000 made in the continental United States be publicized when such procurements are scheduled to be opened eighteen days or more from date of issue. Synopses of Proposed Procurements, designed to furnish potential suppliers with sufficient information to determine whether they will be interested in bidding or quoting will be prepared in accordance with the instructions set forth in §§ 590.354 to 590.354–5.

(b) Policies with respect to dissemination of information to unsuccessful bidders and offerors concerning awards are set forth in §§ 401.407, 591.407 and 592.150 of this chapter. Instructions pertaining to synopses of awards are set forth in §§ 591.451 to 591.451–3 and 592.151 of this subchapter.

§ 590.354–2 *Applicability.* In accordance with the policy stated in § 590.354–1, instructions in §§ 590.354 to 590.354–5 shall apply to all proposed procurements (including procurements for the construction, alteration or repair of buildings, bridges, roads, or other kinds of real property), whether negotiated or formally advertised, when:

(a) The estimated amount exceeds $10,000;

(b) The procurement is unclassified and dissemination of information with respect thereto does not constitute a security risk.

(c) The opening of bids, proposals or quotations, or the last date for submission of proposals or quotations, is scheduled eighteen days or more following the date of issuance of the invitations for bids or the requests for proposals (quotations) and

(d) The procurement is effected by any purchasing office in the continental United States, including (1) principal purchasing offices listed in § 591.451–3 of this subchapter and (2) all other field purchasing offices and activities located in the continental United States.

§ 590.354–3 *Action by purchasing offices.* (a) Purchasing offices will prepare and forward synopses of proposed procurements at the earliest practicable time prior to issuance of invitations for bids or requests for proposals (quotations), or prior to commencement of negotiations in any form; and, in any event, immediately upon completion of final drafts of any written solicitation.

(b) Synopses will be teletyped at the end of each day (or as they occur), in accordance with instructions contained in § 590.354–4 to the following address: Synopsis, Commerce Department, Field Service, Chicago, Illinois.

(c) Where access to the Army Command and Administrative Network (ACAN) is not available, synopses will be dispatched via air mail to the following address: Field Service, Administrative Office, U. S. Department of Commerce, Room 1014, 610 South Canal Street, Chicago 7, Illinois.

(d) A copy of each synopsis forwarded will be made available at purchasing offices for examination by interested persons. Such copies will contain columnar headings and a statement to the effect that further information will be supplied upon request, if available and when consistent with security requirements.

§ 590.354–4 *Instructions for teletyping of synopses.* Synopses teletyped pursuant to § 590.354–3 (b), will be prepared for transmission as follows:

(a) The first line of the text of the message will state the number of the synopsis being sent. Synopses will be numbered consecutively.

(b) The second line of the text of the message will state the name and location of the purchasing office straight across the page (not to exceed 70 typewriter spaces) continuing on the next line if necessary.

(c) The description of the item being procured will be in capital letters, using the dash for commas and will not exceed 31 typewriter spaces. If 31 spaces are insufficient, additional lines may be used. The description will be clear, concise, abbreviated wherever possible, with a minimum number of words for description but sufficient for understanding by interested parties; it will consist of a minimum general description of the item procured and will include, when appropriate, commonly used names of supply items, basic materials from which fabricated, general size or dimensions, etc., but will not include information which, in the opinion of the purchasing office may constitute a security risk. Citation to specification and/or drawing numbers or other identifying data will be included, if this information does not constitute a security risk and will assist prospective suppliers in determining whether or not they are interested in the procurement.

(d) The column designating the quantity begins on typewriter space 32 and will not exceed 10 spaces. Every effort will be made to center the quantity between spaces 32 and 41. If 10 spaces are insufficient to include desired statement relative to quantity, additional lines may be used. Quantity to be procured will be indicated, except that the quantity may be omitted when, in the opinion of the purchasing office, the inclusion of such data may constitute a security risk. Indications of quantity such as "more than _____" or "less than _____," etc., may be used at the discretion of the purchasing office.

(e) The column designating the invitation or request number begins on typewriter space 42 and will not exceed 16 spaces. Every effort should be made to center the invitation or request number between spaces 42 and 57. Invitations for Bids numbers will be followed by the letter "B". Requests for proposals or quotations will be indicated by the letter "Q" or, if numbered, the number will be followed by the letter "Q". If there is not sufficient space in the column for the distinguishing letter, it may be typed on the succeeding line.

(f) The column designating the opening date (or last date for submission of proposals or quotations) begins on typewriter space 58 and will not exceed 13 spaces. Every effort should be made to center this date between spaces 58 and 70.

(g) Columner headings will be omitted.

(h) Strict adherence to the above instructions will be required of each reporting office inasmuch as the receiving

machines will automatically cut stencils at the time the message is received. Deviations will cause the format of the synopsis printed by the Department of Commerce to be out of line.

(i) Each reporting office will discuss the instructions contained in §§ 590.354 to 590.354–5 with its communications office so that the manner in which the message is to be transmitted is thoroughly understood by the office preparing the message and the communications office.

§ 590.354–5 *Contents of synopses when not teletyped.* Synopses airmailed pursuant to § 590.354–3 (c), will contain the same information required for synopses which are teletyped, as prescribed in § 590.354–4, in substantially the same form. In addition to the information prescribed in § 590.354–4, appropriate columnar headings will be used.

2. Part 591 is amended as indicated below:

a. Section 591.202–5 is rescinded and the following substituted therefor:

§ 591.202–5 *Synopses of invitation for bids.* Synopses of invitations for bids will be prepared by purchasing offices located in the continental United States in accordance with the requirements of §§ 590.354 to 590.354–5 of this subchapter.

b. The first sentence of § 591.251 (a) is amended by changing the address of the Procurement Information Center to read "Procurement Information Center, Office of the Under Secretary of the Army, Old Post Office Building, Twelfth Street and Pennsylvania Avenue NW., Washington 25, D. C.".

c. Section 591.451–3 is amended by changing the words "synopses of invitations for bids as required by § 591.202–5," on the fourth and fifth lines to read "synopses of proposed procurements as required by §§ 590.354–590.354–5 of this subchapter,".

3. Part 592 is amended by rescinding § 592.151 and substituting the following §§ 592.151 to 592.151–2 in lieu thereof:

§ 592.151 *Synopses of proposed procurements and awards.*

§ 592.151–1 *Synopsis of proposed procurements.* Synopses of proposed negotiated procurements will be prepared by purchasing offices located in the continental United States in accordance with the requirements of §§ 590.354 to 590.354–5 of this subchapter.

§ 592.151–2 *Synopsis of awards.* A weekly "synopsis of Awards" unclassified negotiated contracts in amounts of $25,000 or more will be prepared in accordance with instructions contained in §§ 591.451 to 591.451–3 of this subchapter by each of the purchasing offices listed in § 591.451–3.

[Proc. Cir. 6, May 18, 1951] (R. S. 161; 5 U. S. C. 22. Interpret or apply 62 Stat. 21; 41 U. S. C. 151–161)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
Acting The Adjutant General.

[F. R. Doc. 51–6673; Filed, June 8, 1951; 8:45 a. m.]

Chapter XI—National Guard and State Guard, Department of the Army

PART 1102—STATE GUARD REGULATIONS

A new Part 1102 is added to Chapter XI, as follows:

Sec.
1102.1 Purpose.
1102.2 Definitions.
1102.3 Status of State Guard.
1102.4 State Guard and Federal Service.
1102.5 Employment, general.
1102.6 Employment in cooperation with Federal Forces.
1102.7 Arms and equipment.
1102.8 Uniforms.
1102.9 Training.
1102.10 Training tests and regulations.
1102.11 Direction and inspection by Federal agencies.
1102.12 Correspondence and reports.

AUTHORITY: §§ 1102.1 to 1102.12 issued under 64 Stat. 1072; 32 U. S. C. Sup. 194.

SOURCE: §§ 1102.1 to 1102.12 contained in AR 915–10, May 14, 1951.

§ 1102.1 *Purpose.* The regulations in this part specify the nature, status, and availability of State military forces other than National Guard; indicate the assistance which the Department of the Army has been authorized to furnish to the several States or Territories in the equipping, arming, and training of State Guards; and provide with respect to those forces such Federal regulations as are deemed necessary and appropriate under the law.

§ 1102.2 *Definitions.* For the purpose of this part the following definitions apply:

(a) *Internal security.* Internal security is defined as all measures in peace and war, other than military defense, to prevent enemy inspired action against United States resources, industries, and institutions, and to protect life and property in the event of a domestic emergency.

(b) *State.* The term "State" means any State or Territory of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, or the Canal Zone.

(c) *State Guard.* The term "State Guard" means any force organized under subsection (b) of 64 Stat. 1072 (32 U. S. C. Sup. 194) and in accordance with this part, irrespective of the actual name assigned to the force by the State.

(d) *State internal security forces.* The term "State internal security forces" means all forces and/or agencies of State or municipal governments which are capable of undertaking internal security missions and are assigned such missions. These include, but are not limited to, State Guards.

§ 1102.3 *Status of State Guard*—(a) *Force status.* The State military force (State Guard) contemplated by this part, organized under the foregoing statutory authority and of the constitution and laws of the State concerned and this part, is solely a State organization. It is not subject to call, order, or draft, as such force, into the military service of the United States. It is not subject to Federal regulation, control, or supervision other than as provided expressly, or by reasonable implication, by 64 Stat. 1072 (32 U. S. C. Sup. 194). The only control the Department of the Army will exercise over this force will be in prescribing regulations pertaining to organization, standards of training, instruction, discipline, and care and maintenance of Federal equipment. The Department of the Army will:

(1) Assist and advise State authorities in the organization, training, instruction, and equipping of this force;

(2) Issue certain equipment in accordance with § 1102.7; and

(3) Advise and coordinate with State authorities in matters pertaining to employment of this force, in accordance with provisions of this part and other pertinent regulations or directives.

(b) *Mission.* The appropriate mission of State Guards during the absence of the National Guard in Federal service is conceived to be to provide an adequately trained force for employment within the boundaries and jurisdiction of their respective States as directed by the State executive or other appropriate agency thereof, to:

(1) Maintain laws, suppress disorders, and protect life and property.

(2) Meet such domestic emergencies as may arise within the State.

(3) Guard and protect vital industries, installations, and facilities when other means such as local police or privately owned protection are deemed inadequate.

(4) Prevent or suppress fifth column activities, in conjunction with, or in support of, other State or local law enforcement agencies or Federal agencies.

(5) Cooperate and coordinate with Federal military authorities and forces engaged in active military operations or charged with internal security missions within the State.

(6) Cooperate with the Federal military authorities in information and observation duties and in extreme emergencies assist in the evacuation of civilians.

(7) Perform such other duties as may be assigned by the State executive under the constitution or laws of the State.

(c) *Organization.* Planning for and the conduct of military operations against hostile military forces are responsibilities of the Federal Armed Services. Operations and activities of State Guards contemplated by this part are, in consonance with the mission outlined above, analogous to and supplemental to those of law-enforcement agencies. State Guard units will be organized under T/O 19–56 and T/O 19–57 (Tables of Organization, Department of the Army) as internal security battalions with headquarters and headquarters detachments, internal security companies, and such higher headquarters as are determined to be necessary by the State military authorities. The total strength of these units in each State to receive Federal equipment and aid will be determined by the Department of the Army and published by the Chief, National Guard Bureau.

§ 1102.4 *State Guard and Federal service*—(a) *General.* Membership in the State Guard does not constitute

ground for individual exemption from Federal military service under Federal law. Accordingly, the State authority concerned should provide for the prompt discharge from the State Guard of such of its members as are inducted, enlisted, ordered, or otherwise engaged in the active military service of the United States.

(b) *Federal military officers.* Reserve officers not on active duty and Regular Army retired officers not on active duty may be enrolled or commissioned in a State Guard force organized under section 61, National Defense Act, as amended, without jeopardy to their Reserve or retired status, but such enrollment or commission in the State Guard force will not prevent their being ordered to active Federal service.

(c) *National Guard personnel.* Enlisted and commissioned personnel of the National Guard who have been released from active military service of the United States may be enlisted or commissioned in State Guards without jeopardy to any status that they may have in the National Guard of the United States if there is no local National Guard unit to which they may be assigned. Service in the State Guard under such conditions will not interfere with their being ordered to active Federal service.

(d) *Enlisted Reserve Corps.* Members of the Enlisted Reserve Corps not on active duty may be enrolled or commissioned in a State Guard without jeopardy to their Reserve status. Service in the State Guard will not interfere with their being ordered to active Federal duty.

§ 1102.5 *Employment, general*—(a) *Authority of State*—(1) *Employment.* The State Guard is an element of the executive department of the State government. It is employed by the Governor, or by such official as the Governor may designate, upon such missions and duties as may be deemed appropriate, subject to the limitations imposed by law. It may be employed outside of the territorial boundaries of its State, where authorized by laws of the States concerned or when arrangements for similar cooperative action have become legally effective by agreement between States.

(2) *Limitations upon authority of State.* Employment by the State of its State Guard, or any part thereof, is limited, in general, only by pertinent provisions of the Federal Constitution (for example, fourteenth amendment), by the territorial boundaries of the State, and by the supremacy of the Federal Government in its proper fields of action. The authority of the State to maintain its State Guard ceases upon the relief from active Federal service of all elements of its National Guard, or upon the expiration date of the enabling legislation.

(b) *Responsibility within the Department of the Army.* (1) The Chief, National Guard Bureau, participates with other agencies of the Army Staff in the formulation of the program for Army participation in the development and maintenance of State Guards; administers that program; and maintains Department of the Army records concerning State Guard personnel, units, equipment, and armament.

(2) Commanding generals of continental armies are charged with the responsibility for assisting State authorities in the training of State Guards to the end that they may be used more efficiently in the accomplishment of the missions assigned.

(3) Commanding generals of continental armies are designated as the military authority to advise and assist State and local authorities in the use and employment of State Guards. In unified commands, this same function will be performed by the commander of the Army forces, under the direction and supervisory control of the unified commander, unless otherwise directed.

§ 1102.6 *Employment in cooperation with Federal Forces*—(a) *Assignment of missions.* Actual operating missions will be assigned to State Guards only by appropriate State authorities. However, the requirement for coordination of local and State internal security operations with operations of Federal Armed Forces is obvious. In order to prepare in advance for such coordination and to insure the integration of State internal security planning with plans of the Federal military services, appropriate army commanders will request State authorities to assign to State Guards a mission of coordinating and cooperating with Federal military authorities. In the accomplishment of cooperative missions, it is not contemplated that State Guards will be commanded by nor their operations and activities otherwise controlled by Federal military authorities, but rather that they will undertake and carry out such missions as may have been previously planned by mutual agreement or which the State may agree to undertake on request of a Federal military commander. In this regard, the fact is emphasized that by organization, equipment, and training, State Guards are designed and qualified for law enforcement operations, rather than for sustained combat operations against hostile armed forces.

(b) *Conflict of missions.* (1) It is imperative, in the interest of national defense, that the employment by the State of State Guards should not interfere with or impede Federal functions or activities. It is likewise essential that State forces, of whatever category, when functioning in their proper sphere, should be unhampered in fulfilling their missions. To the end that the interests of the United States and of the State be preserved, the highest degree of cooperation should be maintained between the Federal and local officials concerned.

(2) One or the other of two situations may arise in this regard. In one instance, Federal military forces and State forces may be operating in the same locality. Although each force may be acting within its proper authority, and although no question of conflict or responsibility may arise, the coordination of the activities of the respective forces is essential. In the other situation contemplated, conflict of views may exist as to the responsibility, whether Federal or State, for a particular mission. In such case, if the commanders of the Federal forces and the State authorities are unable to effect an agreement, the matter should be referred to the appropriate military defense commander or commanding general of the Army area. Although the latter's decision is not binding upon the State authorities, unless Federal martial rule in fact then prevails in the affected locality, the State authorities should conform to that decision in the light of the paramount Federal concern with the over-all problem of national defense.

§ 1102.7 *Arms and equipment*—(a) *General.* Arms, ammunition, and equipment considered essential to the mission of the State forces will be issued by the Department of the Army to the extent that such equipment is determined to be available for that purpose under existing Department of the Army priorities. Equipment issued under the provisions of this part will remain the property of the United States, will be subject to inspection by authorized representatives of the Department of the Army, and may be recalled by the Department of the Army at any time to meet higher priority requirements. Equipment not otherwise available to the State forces, and which has been determined to be excess to Department of the Army requirements, may be purchased from the Department of the Army by the several States in accordance with existing laws governing the sale of United States property.

(b) *Bond.* The issue of equipment to a State for the use of its State Guard is subject to the acceptance of and continuous coverage by a bond considered as adequate in all respects by the Department of the Army. The penalty of the bond to be required in each case will depend upon the value of the Federal property issued and will be determined by the Department of the Army, between a maximum limit of $10,000 and a minimum limit of $5,000. The Chief, National Guard Bureau, will furnish WD AGO Form 601 (Bond Form for State Guard Property Officer) to State authorities upon request. Executed bonds will be forwarded to the Chief, National Guard Bureau, for acceptance by the Department of the Army. Custody of current bonds will be in the Treasury Department. In general, the bonding of State Guard property officer will conform to AR–35–220 (Army regulations governing surety bonds).

(c) *Accountability.* The issue of Department of the Army property under this part is contingent upon appointment of an accountable officer by the State concerned and the provision of adequate facilities for the care and safekeeping of such property.

(1) The several States must make adequate provision to account for the property and to protect it from deterioration, loss, or damage by fire, theft, or weather.

(2) Pending publication of regulations pertaining to State Guard accounting system, the accounting system will conform with SR 130–420–1 (Special regulations of the Army governing supply and accounting procedure. Where the terms "USP & DO" and "National Guard"

appear throughout the regulation, the terms "SGPO" and "State Guard" will be substituted therefor.

(3) The accountable officer will be responsible for the requisition, receipt, storage, and issue of all Department of the Army property contemplated by this part which is in the custody of the State. He will make such returns and reports as may be required by the Department of the Army.

(4) Upon relief from office, a State Guard property officer may request by letter to the Chief, National Guard Bureau, that his bond be terminated. Such request will be accompanied by a copy of the orders relieving him from duty and appointing a successor who must be bonded on or before the effective date of his appointment.

(5) The audit of the property accounts of the State Guard property officer is a responsibility of the Army Audit Agency.

(d) *Issue.* The heads of technical services will determine availability of supplies and equipment for issue or sale to the several States in accordance with the criteria established by this part.

(1) The Chief, National Guard Bureau, will advise the appropriate heads of technical services of the items and quantities of equipment which are required for use by the State forces, will compile and publish lists of available items to the army commanders and the several States, and will provide for equitable distribution of available property.

(2) Initial requisitions from the several States for issue of supplies and equipment under this part will be submitted to the continental Army and oversea commanders who will review for conformance with the conditions upon which Federal support is predicated. Discrepancies will be adjusted with the appropriate State authorities and requisitions will be forwarded by army and oversea commanders to the Chief, National Guard Bureau, who will edit them in order to ascertain whether the total of the items requisitioned and on hand exceeds the amount authorized for the strength approved for Federal aid for the State concerned. Approved requisitions then will be forwarded to the respective heads of technical services for supply action.

(3) Requisitions for additional increments and/or replacements will be forwarded by the State Guard property officer direct to the Chief, National Guard Bureau.

(4) In emergencies, where prior communication with the Department of the Army is not feasible, army and oversea commanders may issue essential items of equipment to State forces from sources under their control. In such cases, the Department of the Army will be notified (ATTN: G4) at the earliest possible date of the items and quantities issued and the circumstances.

(e) *Disposal of property.* The continental army and oversea commanders will appoint officers of the Army of the United States as inspectors and surveying officers. Properly bonded State Guard property officer will be shown as the accountable officer on all property disposal forms. Federal property issued to the States for use by State Guard, which becomes lost, damaged, destroyed, or which becomes unserviceable or unsuitable for further use in the service, will be disposed of as prescribed in chapter 4, SR 130–420–1. Excess Department of the Army property in the possession of the several States will be reported to the Chief, National Guard Bureau, for redistribution or return to Department of the Army custody.

(f) *Sale or excess issue.* Requests by the several States for issue of equipment in excess of authorized allowances and requests to purchase items of equipment will be prepared and routed in accordance with paragraph (d) of this section. Such requests will be supported by suitable justification and the comments and recommendations of the army or oversea commander will be indorsed thereon. Purchase requests, after approval by the Department of the Army, will be submitted by the States direct to the designated supply sources accompanied by a money order or State check.

(g) *Expenses.* All expenses incident to the issue, recall, or sale of Department of the Army property under this part will be borne by the States concerned, except that the Federal Government will pay the transportation cost of recalled property. Shipments from Department of the Army installations will be made on commercial bills of lading, transportation charges collect, to a centrally located point within the State.

(h) *Maintenance.* Maintenance services, not otherwise available to State forces, will be accomplished by Department of the Army installations on a reimbursable basis to the extent consistent with existing workloads and Department of the Army repair priorities. Such services will be limited to Department of the Army property issued under this part. Maintenance services performed under this part will be billed to the appropriate States by the fiscal officers of the installations rendering the service.

(i) *Safeguarding of small arms ammunition and other Federal property.* Continental army and oversea commanders will determine whether or not storage for Federal property is adequate and secure in accordance with the provisions of National Guard Regulations 75–3 (Care and Safekeeping of Federal Property). When such storage is not considered adequate and secure, the continental army and oversea commander will take necessary action to insure proper safeguard by the State concerned, or will initiate necessary action through the Chief, National Guard Bureau, to have the issued arms and ammunition withdrawn and returned to the appropriate Army depot.

(j) *Acquisition of arms and equipment by State from sources other than the Department of the Army.* Subject to limitations regarding the character of uniforms to be worn and subject to compliance with generally recognized requirements as to the safety, suitability, and proper use as combat weapons of certain arms, the Department of the Army has no objection to open-market purchases by the State of such articles of arms and equipment as are not available for issue or sale by the Department of the Army, nor does it object to contracts for the fabrication of necessary uniforms or equipment between the State and industrial establishments not engaged in manufacturing supplies for the Armed Forces. However, if supplies essential to the proper equipment and maintenance of the State Guard can be secured only in competition with Federal procurement agencies, the State adjutants general should refer the problem to the National Guard Bureau through the continental army and oversea commanders for assistance. The Chief, National Guard Bureau, after receipt of request, will assist in securing priority clearance on articles or materials needed by the State Guard and, with investigation, the propriety of articles or materials thus desired. Such requests must have the approval of the State adjutant general prior to submission to the National Guard Bureau for further processing.

§ 1102.8 *Uniforms*—(a) *General.* The uniform prescribed and furnished by the State for its State Guard will be unmistakably different from that of any Federal military force. Should the States decide to use the uniform clothing of the Army of the United States, it will be altered as required by paragraphs (b), (c) and (d) of this section, before being worn .

(b) *Ease of identification.* The State Guard uniform should permit ready identification of the wearer as a member of the State Guard of his State. To this end the use of color material different from that of the United States Army, Navy, Air Force, and Marine Corps uniform is encouraged. Army clothing in the possession of State Guards, including officers' uniforms, issued or purchased, and clothing which may in the future be issued to them, will be altered to the extent necessary to render it readily distinguishable at a glance from any uniform in use by Federal Armed Forces. The necessary alterations may be accomplished within the discretion of the States. Buttons bearing distinctive Federal designs will be replaced. Alterations will the accomplished without expense to the Federal Government and without interference with the procurement or production of more essential war materials, or constituents or components thereof.

(c) *Insignia.* Except insignia denoting grade and that authorized herein, the wearing of buttons, cap devices, cord edge braid, hat cords, and other insignia authorized for use on uniforms of the Federal forces (including the National Guard) is not permitted.

(1) State Guard personnel will wear on each outer coat (overcoat, mackinaw), service coat, and shirt, on the upper part of the outer half of the left sleeve, with top of insignia ½ inch below the shoulder seam, one distinctive shoulder sleeve insignia bearing the designation of the State Guard concerned. This insignia will be, if round, at least 2½ inches in diameter; if square, at least 2 inches square; if triangular, at least of an equivalent surface area,

(2) The authorized State Guard cord edge braid of distinctive weave, silver for officers, silver and green for enlisted personnel will be worn by State Guard members, if any cord edge braid is worn.

(3) States may authorize State Guard personnel who served oversea in World War I between April 6, 1917, and November 11, 1918, in World War II between December 7, 1941, and September 2, 1945, or in Korea from June 27, 1950, to an undetermined future date, to wear on the right shoulder sleeve any one of the shoulder sleeve insignia of the units of the United States Army to which they were assigned.

(d) *Sleeve braid.* Unless the State Guard uniform is wholly unlike any uniform authorized for wear by Federal military forces, including the National Guard, distinctive sleeve braid will be worn by officers only, on the service coat, and will be of any desired color except brown, gold, yellow, black, or forest green.

(e) *Officers' uniform purchase.* Certain articles of regulation Army Officers' uniform may be purchased from the Philadelphia Quartermaster Depot by State Guard officers with an identification evidenced by signed authority from the adjutant general of the appropriate State. Sleeve braid, cord edge braid, and distinctive Federal buttons will be removed prior to delivery. State Guard personnel are not authorized to purchase uniforms at Army exchanges.

(f) *Wearing of decorations.* The appropriate order of precedence for wear by State Guard personnel is:

(1) United States decorations or ribbons.

(2) United States service medals or ribbons.

(3) State decorations or ribbons.

(4) State service medals or ribbons.

(5) Foreign decorations.

§ 1102.9 *Training*—(a) *General.* Detailed instructions for the training of State Guard organizations are such as may be prescribed and published by State and State Guard authorities, based upon directives, regulations, and training programs issued by the Department of the Army.

(b) *Scope of training.* Training should be planned and conducted with a view to the earliest preparation, consistent with thoroughness, of State Guard organizations and members for the accomplishment of missions prescribed by competent authority. A single standard of individual proficiency should form the basis of all instruction within the unit in order that all members of the unit shall have received essentially the same training. Training of the unit as a coordinated group should thus be attained more readily. The special nature of contemplated law enforcement functions should be a factor in the determination of the type and degree of special training prescribed for the organization and its members. Every effort should be made to make the training of State Guards interesting and realistic. The applicatory method of training to develop proficiency should be used at every opportunity. Conditions and situations which might confront the State Guards should be simulated as closely as possible in problems and exercises. Imagination and ingenuity should be used to develop and conduct practical and realistic problems and alerts. The value of this type of training cannot be overemphasized.

(c) *Responsibility for training.* Training is a function of command. Each State Guard unit commander, under the supervision of the next higher authority, is responsible for the discipline, morale, and training proficiency of his command. He should be permitted such freedom of selection of types and methods of instruction and such determination of the sequence and duration of instruction periods as are consistent with his primary responsibility for the results attained.

(d) *Training objectives.* Training objectives should be prescribed by State authority, by the State Guard commander, and by State Guard unit commanders in the descending order of authority. Training objectives should also be in accordance with the missions assigned by State authorities and missions accepted by the State authorities at the request of Federal commanders.

(e) *Funds.* Funds are made available to army commanders to cover any expenses of the United States incident to the training of State Guards, provided such expenses are not prohibited by statute or instructions issued by the Department of the Army, when training is an integral part of a program established by the commanding general of the army concerned. Control over the obligation and use of these funds is a responsibility of the army commander.

(f) *Requirements.* The minimum training requirements of each State Guard unit and of each member thereof will be as indicated in an approved training program for that unit.

§ 1102.10 *Training texts and regulations.* Such Department of the Army training literature and other publications as may be available and suitable for the accomplishment of training objectives specified in training programs and for guidance in administrative matters will be furnished by the Department of the Army.

§ 1102.11 *Direction and inspections by Federal agencies.* Although the State Guard is a State force to be used under State control on missions assigned by the State, its State tasks may be of importance to the national interest and it may be assigned by the State the task of cooperating with Federal forces on missions of Federal interest. To give proper direction to preparation for such tasks under the authority of the Secretary of the Army to prescribe standards of training, the following facilities are available:

(a) The Department of the Army will furnish through the National Guard Bureau from time to time suggested State Guard training programs designed as a general guide to promote thorough and uniform training of all State Guard units.

(b) Army commanders will lend advisory assistance in training to the State Guard and may furnish various training aids and/or provide suitable instructors when available.

(c) The necessary inspection of State Guard organizations is a function of Army commanders. With the mutual cooperation of the State adjutants general they will conduct annually inspections of all Federal property, and such other inspections as may be requested by State authorities and deemed necessary by the commanding general of the Army concerned. Reports of inspection will be made on a form furnished by the National Guard Bureau and a copy of each report furnished the Bureau.

§ 1102.12 *Correspondence and reports*—(a) *General.* Army Regulations and National Guard regulations relating to correspondence and reports should be observed wherever applicable. In order to avoid confusing administrative matters of the State Guard with those of the Regular Army and the National Guard, forms, letterheads, and other printed, mimeographed, or typed communications should contain the official designations, conspicuously placed, of the State Guard or State Guard unit to which such papers pertain. In cases where the designation of a State force maintained under this part does not contain the words "State Guard," returns, reports, and correspondence relative thereto should, to facilitate identification, follow the legal State designation with appropriate words in parentheses: for example, Virginia Protective Force (State Guard), New York Guard (State Guard), Colorado Defense Force (State Guard), Michigan State Troops (State Guard), Oklahoma Internal Security Force, (State Guard), and District of Columbia Constabulary Reserve (District Guard).

(b) *Channels of communication.* Communication between State authorities and the Department of the Army on matters pertaining to State Guards or other State internal security forces will be conducted as follows:

(1) *Between State authorities and the Chief, National Guard Bureau.* Direct correspondence where action within the purview of an army commander is not required.

(2) *Between State authorities and army commanders.* Direct correspondence where action within the purview of an army commander is concerned.

(3) *Between army commanders and the Department of the Army.* Direct to the Chief, National Guard Bureau.

(c) *Returns and reports*—(1) *Monthly returns.* Upon the organization of a State Guard unit, the appropriate State authority will submit direct to the Chief, National Guard Bureau, with an information copy to the commanding general of the army area, an initial consolidated strength return showing home station, the numbers and types of units, and the strength of each unit in officers and enlisted men. A roster of officers assigned to units will be submitted initially and changes thereafter will be reported without delay. Returns thereafter will be indicated by National Guard Bureau instructions.

(2) *Other reports.* From time to time additional or special reports covering

information deemed essential will be called for by the Chief, National Guard Bureau.

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
Acting The Adjutant General.

[F. R. Doc. 51-6671; Filed, June 8, 1951; 8:45 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 22, Amendment 8]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

UPHOLSTERY FELT MADE OF COTTON LINTERS OR COTTON WASTE AND SISAL PADS

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 8 to Ceiling Price Regulation 22 is hereby issued.

STATEMENT OF CONSIDERATIONS

Upholstery felt and sisal pads are used by manufacturers of upholstered commodities such as chairs, studio couches and bedding. Upholstery felt is chiefly made of cotton linters or cotton waste. Sisal pads are made from sisal fibre which is an imported material. CPR 22 in its present form permits those manufacturers who manufacture their own upholstery felt and sisal pads to calculate the change in net cost of the raw materials used in the manufacture of upholstery felt and sisal pads up to March 15, 1951, in determining their "materials cost adjustment" for the purpose of computing their ceiling prices on their end products under Ceiling Price Regulation 22. Manufacturers, however, making the same end products who do not have the facilities for manufacturing their own upholstery felt or sisal pads and are obliged to purchase these from suppliers, are only permitted to calculate the changes in the net cost of these manufacturing materials up to December 31, 1950, in determining their "materials cost adjustment." These latter are primarily the small manufacturers in the industry. To eliminate the difference in the treatment of the two groups of manufacturers, this amendment to CPR 22 adds upholstery felt made of cotton linters or cotton waste and sisal pads to the manufacturing materials whose changes in net cost may be calculated up to March 15, 1951, in determining the "materials cost adjustment."

In the judgment of the Director of Price Stabilization this amendment is generally fair and equitable and is necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

AMENDATORY PROVISION

Ceiling Price Regulation 22 is amended by adding a new paragraph 7 to Appendix B to read as follows:

7. Upholstery felt made of cotton linters or cotton waste, and sisal pads.

(Sec. 704, Pub. Law 774, 81st Cong.)

Effective date. This amendment shall become effective June 8, 1951.

HAROLD LEVENTHAL,
Acting Director of Price Stabilization.
JUNE 8, 1951.

[F. R. Doc. 51-6795; Filed, June 8, 1951; 9:59 a. m.]

[CPR 22, Interpretations 19-32]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

INTERPRETATIONS UNDER THE MANUFACTURERS' GENERAL CEILING PRICE REGULATION

The following interpretations under the Manufacturers' General Ceiling Price Regulation (CPR 22) were issued through June 1, 1951.

CPR 22, INT. 19—APPLICABILITY OF CPR 22 TO WHOLESALERS AND RETAILERS (GENERAL)

Ceiling prices for wholesalers and retailers are not covered by CPR 22. The effect of CPR 22, CPR 30 and other manufacturing regulations upon the ceiling prices of wholesalers and retailers are to be determined by looking to GCPR, SR 29 to GCPR, CPR 7, 14, 15, 16, and other applicable regulations.

CPR 22, INT. 20—LOCATED IN THE UNITED STATES (SECTION 1)

The clause "manufacturer located in the United States" in section 1, CPR 22, refers to the location of the manufacturing facilities of the manufacturer and not to the location of the manufacturer's main office. Thus, a manufacturer whose main office is in Seattle, Washington, but whose plants are located entirely in Alaska is not a manufacturer located in the United States. Further, a manufacturer who has some plants within the United States and some without the United States is a manufacturer located in the United States only to the extent of the plants located in the United States.

CPR 22, INT. 21—SUBSEQUENT ELECTION TO USE CPR 22 (SECTION 1)

A manufacturer who has elected not to use CPR 22 as permitted by section 1, may thereafter again exercise his option and elect to use CPR 22. He must, however, first file a Public Form No. 8 and comply with the provisions of CPR 22.

CPR 22, INT. 22—USE OF BASE PERIOD PRICE AND SUBSEQUENT USE OF CPR 22 (SECTION 3)

A manufacturer who does not calculate either his labor cost adjustment or his materials cost adjustment, and instead, uses his base period price as his ceiling price under the regulation, as is permitted by section 3 (a), CPR 22, may thereafter make his calculations and establish a new ceiling price under CPR 22. In such case, he would be required by section 46 (b) to file a new Public Form No. 8.

CPR 22, INT. 23—FRINGE BENEFITS NOT INCLUDED IN ANNUAL FACTORY PAYROLL (SECTION 8 (a))

Fringe benefits may not be included in determining annual "factory payroll" under section 8 (a), CPR 22. However, increases in the cost of fringe benefits are taken into account under section 8 (c), which provides that such increases may be added to "recomputed payroll."

CPR 22, INT. 24—MANUFACTURING MATERIALS—TOOLS, JIGS, DIES, AND FIXTURES (SECTION 10)

Inquiries have been received as to whether increased tooling costs may be taken into consideration in calculating the materials cost adjustment under CPR 22. In particular, these inquiries have come from manufacturers of household refrigerators and washing machines and concern the tools, dies, jigs, fixtures and related items which are changed when new models are introduced. Section 10 of CPR 22 defines "manufacturing materials." In addition to a material entering directly into the commodity being priced, the term "manufacturing material" also includes a material "used directly in the manufacturing processes from which the commodity results". The quoted portion of the definition was intended to cover, among other things, expendable tools which are consumed in the manufacturing process. This was pointed out in the Statement of Considerations to CPR 30 (Machinery and Related Manufacturing Goods). Because of the importance of these items in the machinery field, the definition of "manufacturing material" in section 14 of CPR 30 provided specifically that dies, fixtures, patterns and other listed items were covered, but "only if they are permitted to be included as expense items for Federal tax purposes."

Under this test, only items whose normal useful life is one year or less and whose costs are allowed to be treated as expenses for income tax purposes are covered. However, tools, dies, jigs, fixtures and related items, such as those used by manufacturers of household refrigerators and washing machines and which are used over a period of *more* than one year or whose normal useful life is more than one year, are not included within the definition of "manufacturing material" in section 10 of CPR 22. They are not, therefore, to be included in calculating the materials cost adjustment under CPR 22. This is so even if in a particular instance the Bureau of Internal Revenue may permit such items to be treated as expense items because of a manufacturer's historical practice of so treating them. Customarily, these items would be capitalized and depreciated over the period of their use and would not be treated as expense items. It is believed that this test is a workable one and is also commonly understood in industry.

CPR 22—INT. 25—MANUFACTURING MATERIAL (SECTION 10)

Materials and sub-contracted industrial services used in replacing, maintaining or expanding a manufacturer's plant and equipment are excluded from

the term "manufacturing material" by section 10, CPR 22. Section 10 excludes all such materials and services, whether or not their use is directly dependent upon the rate of manufacture of the commodity being priced, and in addition excludes any other materials or supplies the use of which is not directly dependent upon the rate of manufacture of the commodity being priced.

CPR 22—INT. 26—EXCLUSION OF MANUFACTURING MATERIALS FROM CALCULATIONS (SECTION 11)

It seems that some manufacturers have misconstrued the manner in which to calculate materials cost adjustment, so that changes in net cost of some materials are mistakenly given effect even though they have omitted these materials from their calculations under the provisions of section 11, CPR 22. Section 11 permits a manufacturer to exclude from the calculation of his materials cost adjustment those manufacturing materials which are not significant or whose cost has not decreased between the prescribed dates. Where such materials are excluded, however, they must be excluded from all calculations. The provisions of the regulation are clear on this point. Materials cost adjustment is obtained by multiplying the change in net cost per unit of each manufacturing material by the physical amount of each such manufacturing material. This method obviously precludes the application of change in net cost to excluded manufacturing materials. Any method of calculation which leads to a contrary result is not permitted under the regulation.

CPR 22—INT. 27—FREIGHT RATES (SECTION 28)

Interpretation 1 under GCPR, which concerns freight rates, is not applicable to commodities subject to CPR 22. Section 28, CPR 22, and Interpretation 1 under CPR 22 are applicable as to freight rates under CPR 22.

CPR 22—INT. 28—"WOULD HAVE" OPERATED AT A LOSS (SECTION 43)

Under section 43 of CPR 22 a seller may not apply for an adjustment until after one month's operation under the regulation. The language "would have been conducted at a loss" relates to the situation of a person who was not manufacturing in his customary quantities and proportions but would have lost money if he had been manufacturing in customary quantities and proportions.

CPR 22—INT. 29—REPORT NOT REQUIRED FOR COMMODITY NO LONGER MANUFACTURED (SECTION 46 (b))

CPR 22 does not require the filing of Public Form No. 8 for a commodity sold during the base period but which is no longer being made or sold. If that commodity is subsequently manufactured and offered for sale the manufacturer must first, of course, file the form and comply with the provisions of CPR 22.

CPR 22—INT. 30—NET SALES—INVENTORY NOT INCLUDED (SECTION 47)

"Net sales," as defined in section 47, is not synonymous with the "value" of goods produced. Thus, in determining net sales under section 8 (a), a manufacturer should not include commodities which were manufactured during his fiscal year ended December 31, 1950 but which were not sold during that year.

CPR 22—INT. 31—SYNTHETIC TEXTILE FIBERS AND YARNS (APPENDIX A (i) (2))

Paragraph (i) (2) of Appendix A exempts "synthetic textile fibers and yarns" from coverage of CPR 22. This exemption applies only to a synthetic staple fiber, tow, or continuous filament yarn as produced by the initial manufacturer. The exemption does not include plied, spun, or otherwise processed synthetic yarns or fabrics made from synthetic fibers or yarns.

CPR 22—INT. 32—MARCH 15 DATE FOR COMMODITIES LISTED IN APPENDIX A (APPENDIX B)

Appendix B, par. 1, CPR 22, provides that the change in net cost of a manufacturing material may be calculated up to March 15, 1951 if it is one of the "commodities listed in Appendix A." The only "commodities listed in Appendix A" are those commodities listed in paragraph (b) and subsequent paragraphs of Appendix A. The provisions of paragraph (a) of Appendix A exempting certain *sales* from the coverage of CPR 22, is not the listing of commodities which carry a March 15 date. Accordingly the March 15 date does not apply to commodities such as machinery products under CPR 30, or textiles under CPR 37, which are not listed in Appendix A, although paragraph (a) of Appendix A exempts their sale from CPR 22 because they are covered by a separate numbered regulation. On the other hand, fats and oils, also covered by a separate numbered regulation (CPR 6), are among the commodities actually listed in Appendix A, and therefore take a March 15 date under Appendix B.

(Sec. 704, Pub. Law 774, 81st Cong.)

HAROLD LEVENTHAL,
Chief Counsel, Office of Price Stabilization.

JUNE 8, 1951.

[F. R. Doc. 51-6796; Filed, June 8, 1951; 9:59 a. m.]

[General Overriding Regulation 10, Amendment 1]

GOR 10—ADJUSTMENTS OF CEILING PRICES FOR MANUFACTURERS

ADJUSTMENTS FOR A SEPARATE PLANT OR FACTORY

Pursuant to the Defense Production Act of 1950 (Public Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 1 to General Overriding Regulation 10 (16 F. R. 4454) is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment to GOR 10 expands the coverage of that regulation so as to permit a manufacturer to apply for adjustment of his ceiling prices where such prices would require him to operate at a loss with respect to his manufacturing operations in a separate plant or factory. Prior to this amendment, he could apply only if his operations on his entire business would be conducted at a loss because of ceiling price limitations.

The same considerations which applied to the issuance of GOR 10 in general are applicable to this amendment, and any adjustments granted on the basis of loss operations of a separate plant or factory will be subject to the same conditions and limitations as those applicable to an adjustment based on over-all operations. However, because of the variations which might occur where a separate plant or factory is involved, it is provided that no allocation of central office expenses may be included in calculating a loss on the operations of a separate plant or factory.

This amendment also revises the definition of manufacturer so as to make it clear that the regulation applies to any seller who is engaged in business other than as a wholesaler or retailer. This definition is the same as the definition of manufacturer in the General Ceiling Price Regulation.

AMENDATORY PROVISIONS

General Overriding Regulation 10 is amended as follows:

1. The first sentence in section 1 is amended by deleting the word "over-all" and by adding at the end of that sentence the following: "either for his entire business or for a separate plant or factory."

The first sentence of section 1 as so amended will therefore read as follows: "This regulation permits a manufacturer to apply for an upward adjustment of his ceiling prices established under any other regulation, if as a result of such ceiling prices, the manufacturer would be forced to operate at a loss with respect to his manufacturing operations, either for his entire business or for a separate plant or factory."

2. Section 2 (a) (1) is amended by deleting the word "over-all" and by adding the following: "either for his entire business or for a separate plant or factory, provided that no portion or proration of central office costs or expenses may be included in calculating such loss for a separate plant or factory."

Section 2 (a) (1) as so amended will therefore read as follows:

SEC. 2. *Who may apply.* (a) A manufacturer may file an application for adjustment under this regulation where: (1) His existing ceiling prices would require him to operate at a loss with respect to his manufacturing operations, either for his entire business or for a separate plant or factory, provided that no portion or proration of central office costs or expenses may be included in calculating such loss for a separate plant or factory; and

3. Section 2 (b) is amended by deleting the word "over-all", by adding a comma after the word "operations", and immediately thereafter inserting the following: "either for his entire business or for a separate plant or factory,".

4. Section 3 (c) is amended by adding thereto the following sentence: "If the manufacturer is seeking an adjustment on the basis of a loss with respect to the operations of a separate plant or factory, this profit and loss statement for a recent period should cover his operations in that plant or factory, should indicate that no portion or proration of central office costs or expenses has been included in calculating the loss for the separate plant or factory, and should be accompanied by a profit and loss statement for his entire business covering the same recent period."

5. In section 7 the definition of manufacturer is amended to read as follows:

"Manufacturer" means any person who is engaged in business other than as a wholesaler or retailer.

(Sec. 704, Pub. Law 774, 81st Cong.)

Effective date. This amendment is effective June 7, 1951.

NOTE: The reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

JUNE 7, 1951.

[F. R. Doc. 51-6762; Filed, June 7, 1951; 4:00 p. m.]

Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-26, Amdt. 1, June 7, 1951]

M-26—PACKAGING CLOSURES

MISCELLANEOUS AMENDMENTS

This amendment to NPA Order M-26, as amended April 6, 1951, is found necessary and appropriate to promote the national defense and is issued pursuant to authority granted by section 101 of the Defense Production Act of 1950. In the formulation of this amendment consultation with industry representatives was found to be impracticable due to the necessity for prompt action to clarify the meaning and intent of certain provisions of said order.

NPA Order M-26, as amended April 6, 1951, is hereby amended in the following respects:

1. The text of schedules I and II appearing at the end of said order is hereby deleted and the following text inserted in lieu thereof:

SCHEDULE I—PACKAGING CLOSURES MADE OF TIN PLATE

(The term "food" as used in schedules I and II of this order means "food" as defined in Executive Order 10161, September 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp., and in the Memorandum of Agreement between the Administrator of the National Production Authority, United States Department of Commerce, and the Administrator of the Production and Marketing Administration, United States Department of Agriculture, 16 F. R. 3410.)

Class and product	Tin-plate specifications (maximum pounds of tin coating per base box)
1. All food products for human consumption (except malt beverages and nonalcoholic beverages, each as defined in class 4 of this schedule) if preserved in a hermetically sealed container made sterile by heat	1.50
2. Olives, pickles, relishes, sauces, vinegar, french dressing, flavoring extracts, spices, mustard, horseradish, and cherries	.75
3. All other products, food or otherwise (except malt beverages and nonalcoholic beverages, each as defined in class 4 of this schedule)	.50
4. Malt beverages (meaning and including only beer; ale, porter, near beer, and mixtures thereof); and nonalcoholic beverages (meaning and including only soft drinks, still or carbonated; unflavored waters, still, or naturally or artifically carbonated; beverage drinks consisting of fruit or vegetable juice or juices or a combination thereof where less then 85 percent by weight of the product is pure fruit or vegetable juice or juices or a combination thereof; and sterilized milk drinks made with powdered milk)	.25

SCHEDULE II—PACKAGING CLOSURES MADE OF ALUMINUM

Class and product	Quota
1. Fluid milk products with or without flavoring, including cultured milk but not including cheese products.	Unlimited.
2. Anesthetic solutions, antibotics, biologicals, blood plasma, parenteral solutions, prescriptions, and sulfonamides.	Unlimited.
3. All other food products for human consumption, except wines, distilled spirits, and nonalcoholic beverage drinks consisting of fruit or vegetable juice or juices or a combination thereof where less than 85 percent of the weight of the product is pure fruit or vegetable juice or juices or a combination thereof.	100 percent.
4. All drug products not included in class 2, and all waters as used for health purposes.	100 percent.
5. All other products, food or otherwise, including wines, distilled spirits and nonalcoholic beverage drinks consisting of fruit or vegetable juice or juices or a combination thereof where less than 85 percent of the weight of the product is pure fruit or vegetable juice or juices or a combination thereof.	65 percent.

2. For the purpose of conforming the language of paragraph (b) of section 3 of said order to the terminology of schedule II as amended by this amendment, the third sentence in said paragraph (b) is hereby deleted and the following sentence inserted in lieu thereof:

Where the percentage of that numerical quantity is specified as "unlimited" on schedule II, that percentage is applicable only to a packer who used, or commenced conversion to the use of, packaging closures made of aluminum for use in packing fluid milk products as included in class 1, schedule II, prior to November 27, 1950, and for use in packing the products included in class 2, schedule II, prior to April 6, 1951.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61)

This amendment shall take effect on June 7, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-6763; Filed, June 7, 1951; 4:38 p. m.]

TITLE 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 20—SPECIAL REGULATIONS

EVERGLADES NATIONAL PARK; FISHING

Correction

In F. R. Document 51-3076, appearing in the issue for Friday, March 9, 1951, at page 2187, the reference to "Joy Bay" in § 20.45 (b) (1) (ii), should read "Joe Bay".

TITLE 42—PUBLIC HEALTH

Chapter I—Public Health Service, Federal Security Agency

PART 21—COMMISSIONED OFFICERS

SUBPART R—DETERMINATIONS OF STATUS OF DEPENDENT PARENTS FOR PURPOSES OF BASIC ALLOWANCE FOR QUARTERS

This part is amended by adding thereto the following subpart:

SUBPART R—DETERMINATIONS OF STATUS OF DEPENDENT PARENTS FOR PURPOSES OF BASIC ALLOWANCE FOR QUARTERS

Sec.
21.381 Definitions.
21.382 Entitlement.
21.383 Proof of dependency.
21.384 Adopted parent.
21.385 Stepparent.
21.386 Parent "in loco parentis."
21.387 Determinations.

AUTHORITY: §§ 21.381 to 21.387 issued under secs. 102, 302, 63 Stat. 804, 812, as amended; 37 U. S. C., Sup., 231, 252.

§ 21.381 *Definitions.* For purposes of this subpart the term "parent" shall include a natural father or mother, a father or mother by adoption, a stepfather or stepmother, and any person, including a former stepfather or stepmother, who has stood "in loco parentis" to an officer at any time for a continuous period of not less than five years during the minority of such officer. A stepparent-stepchild relationship shall be deemed to be terminated by the stepparent's divorce from the blood parent, but shall not be deemed to be terminated by the death of the blood parent.

§ 21.382 *Entitlement.* An officer shall be entitled to basic allowance for quarters because of a dependent parent upon the presentation of appropriate evidence, as required in this subpart, to establish the fact (a) that the parent is a parent as defined in § 21.381, and (b) that the parent is dependent upon the officer for over half of his or her support.

§ 21.383 *Proof of dependency.* If any person is claimed as a dependent parent, the officer shall submit form PHS 1637–2 (BF). In addition, the parent concerned shall submit an affidavit on form PHS 1637–3 (BF). The parent's affidavit shall be filed to cover the period from the date basic allowance for quarters is claimed to the date of execution of the affidavit, such period to be not less than one month.

§ 21.384 *Adopted parent.* If the parent claimed as a dependent is a parent by adoption, there shall be submitted, in addition to the evidence required by § 21.383, certified court orders of adoption or such other evidence as is acceptable to establish legally the fact of adoption.

§ 21.385 *Stepparent.* If the parent claimed as a dependent is a stepparent, the stepparent must submit, in addition to the affidavit required by § 21.383, a sworn statement to the effect that he or she married the blood parent of the officer and that he or she has not been divorced from such blood parent.

§ 21.386 *Parent "in loco parentis."* If the parent claimed as a dependent has an "in loco parentis" status, the officer, in addition to the evidence required by § 21.383 to be submitted by him, shall submit a sworn statement setting forth all circumstances relevant to proof of the relationship as may be prescribed by the Surgeon General.

§ 21.387 *Determinations.* Determinations of dependency and parental status, as required by this subpart, may be made by such officers and employees of the Public Health Service as may be designated by the Chief, Division of Finance, Public Health Service.

Dated: June 4, 1951.

[SEAL] LEONARD A. SCHEELE,
Surgeon General.

Approved: June 4, 1951.

JOHN L. THURSTON,
Acting Federal Security Administrator.

[F. R. Doc. 51–6694; Filed, June 8, 1951; 8:47 a. m.]

TITLE 45—PUBLIC WELFARE

Chapter V—War Claims Commission

Subchapter B—Receipt, Adjudication and Payment of Claims

PART 505—FILING OF CLAIMS AND PROCEDURES THEREFOR

TIME WITHIN WHICH CLAIMS MAY BE FILED

Section 505.2 (14 F. R. 7843; 16 F. R. 1510) is hereby amended to read as follows:

§ 505.2 *Time within which claims may be filed.* Claims made under sections 5 (a) through (e), 6 or 7 of the act will be received by the Commission during the period from January 3, 1950, to March 31, 1952, inclusive, in accordance with notice given pursuant to the provisions of section 2 (c) of the act, as amended. Claims to be accepted must be postmarked before midnight March 31, 1952, or delivered in person to the office of the War Claims Commission at Washington, D. C., at any field office thereof, or to any person or agency authorized by the Commission to receive claims on its behalf, before midnight March 31, 1952.

(Sec. 2, 62 Stat. 1240; 50 U. S. C. App. Sup., 2001)

GEORGIA L. LUSK,
Vice-Chairman,
War Claims Commission.

[F. R. Doc. 51–6695; Filed, June 8, 1951; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 924]

[Docket No. AO 225]

HANDLING OF MILK IN DETROIT, MICHIGAN, MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Highland Park, Michigan, during the period June 5–16, 1950, pursuant to notice thereof duly published in the FEDERAL REGISTER (15 F. R. 3105, Doc. 50–4290), upon a proposed marketing agreement and a proposed order, regulating the handling of milk in the Detroit, Michigan, marketing area.

Upon the basis of the evidence introduced at the hearing, and the record thereof, the Assistant Administrator, Production and Marketing Administration, on February 28, 1951, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision in this proceeding. The notice of filing such recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on March 6, 1951 (16 F. R. 2084, Doc. 51–2492). A tentative decision was thereafter issued by the Secretary of Agriculture on May 11, 1951, and the notice of filing such tentative decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on May 16, 1951 (16 F. R. 4551, Doc. 51–5680).

Ruling on exceptions. Within the period for filing exceptions a number of producer cooperatives and milk distributors filed exceptions to certain of the findings, conclusions and actions recommended by the Assistant Administrator, and to the tentative decision issued by the Secretary of Agriculture. In arriving at the findings, conclusions and recommended regulatory provisions of this decision, each of the exceptions to the recommended decision of the Assistant Administrator, Production and Marketing Administration, and to the tentative decision of the Secretary of Agriculture were carefully and fullly considered in conjunction with the record evidence pertaining thereto. To the extent that the findings, conclusions, and actions decided upon herein are at variance with the exceptions, such exceptions are overruled.

Preliminary statement. The major issues developed at the hearing were concerned with the following matters:

(1) Whether the handling of milk produced for the Detroit, Michigan, marketing area is in the current of interstate commerce or directly burdens, obstructs, or affects interstate commerce in milk or its products;

(2) Whether marketing conditions justify the issuance of a milk marketing agreement or order;

(3) The extent of the marketing area;

(4) What milk should be covered for pricing purposes;

(5) The classification of milk;

(6) The level of class prices to be paid and the methods for determining such prices;

(7) The type of pool to be used and a base rating system of distributing returns to producers; and

(8) Administrative provisions.

Findings and conclusions. Upon the basis of the evidence adduced at the hearing and on the record thereof, it is hereby found and concluded that:

(1) *Character of commerce.* The handling of milk in the Detroit, Michigan, marketing area is in the current of interstate commerce and directly burdens, obstructs or affects interstate commerce in the handling of milk and its products.

A total of 64 dairy farms located outside the State of Michigan regularly supply milk to the Detroit market. During the month of April 1950, 45 of these farms located in Ohio and Indiana delivered over a half million pounds of milk to Detroit receiving plants, or at the rate of over six million pounds per year. Three dairy plants in Indiana and one in Ohio hold permits from the Detroit Department of Health to furnish sweet cream for consumption in Detroit.

During the months of high production, large quantities of Detroit inspected milk produced on dairy farms which supply milk for city consumption in other seasons of the year are diverted to manufacturing plants in Ohio and Indiana. One cooperative in the year of 1948 delivered over 4½ million pounds of such milk to a plant in Indiana. In 1949 movements of milk from the Detroit market to plants in Ohio totaled about 10 million pounds and in the first 5 months of 1950 amounted to over 5 million pounds. There are 36 dairy manufacturing plants located within the

Detroit milkshed and purchasing milk from dairy farmers in competition with Detroit milk distributors. Several of these plants also handle surplus milk from the Detroit market. All of these plants manufacture dairy products, and a substantial portion of these products are disposed of in other states. Large quantities of Detroit inspected milk, exceeding 60 million pounds in 1949 and 30 million pounds in the first 5 months of 1950, were moved to certain of these manufacturing plants by one cooperative. Additional large amounts of milk are manufactured in plants operated by milk distributors. This milk is manufactured into evaporated milk, cheese, butter, and nonfat dry milk solids, a large proportion of which is disposed of outside of the State of Michigan.

Milk is distributed on routes operated from Detroit plants in direct competition with milk distributed from Toledo, Ohio, plants in the City of Monroe and at other points. The milksheds of the Detroit and Toledo markets overlap over an area of 4 counties and dairy farmers frequently shift from one market to the other. The Detroit milkshed also overlaps that of Fort Wayne, Indiana, and Cleveland, Ohio.

Milk, cream and dairy products processed in Detroit plants are furnished to interstate carriers for consumption in various states and in Canada. Seven Detroit milk distributing plants have been certified by the U. S. Public Health Service for processing milk and milk products for sale for consumption outside the state at the request of interstate carriers. These carriers include two railroads, the Pullman Company, four airlines and nine steamship companies.

From the foregoing it is evident that substantial volume of milk in the Detroit, Michigan, market is moved physically in interstate commerce in the form of milk and milk products and that the handling of milk in the market directly burdens, obstructs, or affects interstate commerce in milk or its products.

(2) *Need for an order.* An order regulating the handling of milk in the Detroit, Michigan, marketing area should be issued.

A large proportion of the milk consumed in the Detroit area is marketed by a cooperative association of dairy farmers. A price for milk marketed by the cooperative and used for fluid sales is arrived at for each month by bargaining. A lower price then applies to a small amount of milk in addition to that used for fluid sales and the remainder is sold at the average price paid by certain dairy manufacturing plants.

A number of Detroit milk distributors buy milk from dairy farmers who are not members of a cooperative. The record indicates that this milk is paid for at the average price paid for all milk to cooperative members, or a lower price. By purchasing close to needs for fluid sales, it is possible for these distributors to buy milk at a considerably lower cost on a utilization basis than that of distributors who buy from the cooperative. This is true because the cooperative and certain distributors assume the responsibility of carrying sufficient milk to supply the market in the periods of lowest production. Distributors who do not assume this responsibility are able to buy milk used largely for bottled milk sales at the average price paid to cooperative producers, which average price reflects a large volume of milk at the manufacturing price in the months of high production. This buying advantage has led to lower resale prices, the loss of business by distributors who buy higher cost milk, and demands that the price of milk for fluid use be lowered to cooperative buyers to permit competition with distributors who buy without regard to utilization.

This unstabilizing influence has been greatly aggravated by a widening of the spread between the price of milk for fluid use and the average producer price for all milk. In April 1948 the cooperative price to distributors for milk for fluid use was $4.90 and the average price paid producers for all milk was $4.76, a difference of 14 cents. In April 1950 the corresponding prices were $4.20 and $3.72 or an advantage of 48 cents to a buyer able to buy milk for fluid sales at the cooperative average price and an even greater advantage in case less than this average price was paid.

The price paid for milk used for manufacturing by cooperative buyers was $4.11 in April 1948, and $2.86 in April 1950, an increase in the spread between fluid and manufacturing milk prices from 60 cents to $1.32. This price trend greatly increased the advantage of distributors who may buy some milk for fluid use at the manufacturing price.

Statements of payments to producers for milk by buyers who do not buy through the cooperative covering several months in 1950 were submitted. One distributor had paid one producer from 35 to 38 cents per hundredweight less than the cooperative average price, another distributor paid from 19 to 34 cents less and a third paid from 34 to 38 cents less. Fall purchases of additional milk by one of these distributors to supplement his supply from producers indicate a fluid milk usage of producer milk above the average of the market.

The price advantage of buyers who do not purchase milk through a cooperative not only has forced cooperative buyers to exert continual pressure for lower prices, but also has encouraged buyers to sever business relations with the cooperative and take advantage of the lower cost milk available by direct purchase from dairy farmers at the cooperative average price or lower. One handler of a substantial volume of milk has recently taken this step after buying through a cooperative for many years. This trend, if continued, will supplement the pressure for lower prices in bringing about demoralization of the market.

The effect of these conditions in causing market instability is shown in the record of prices and milk supply over the last 3 years. In the 8-month period of June 1947 through February 1948, the Class I price negotiated by the cooperative dropped from $1.62 above the price paid by manufacturing plants to 71½ cents above. Under pressure of a shortage of milk, this negotiated price then increased to a high of $2.32 above the manufacturing price in March 1949. Then as the supply of milk in relation to market needs increased steadily, the negotiated price fell to $1.05 above the manufacturing milk price in May, 1950. While those wide price variations were occurring, the supply of milk was first so reduced that an average of 92 percent of producer milk was used in Class I in the months of November 1947 through January 1948 compared with 84 percent in the corresponding period a year earlier. This shortage was followed by relatively high prices and increasing production until during the corresponding months of 1949–50, less than 71 percent of producer milk was disposed of as Class I.

The cooperative has not been able to sell milk even to regular buyers on a complete utilization basis. Only milk used for fluid sales is priced on the basis of utilization and additional milk is classified on a bargained percentage basis without regard to utilization. This lack of complete pricing according to utilization results in differences in costs to the various distributors for milk for uses other than fluid sales which also contributes to market instability.

In the Ann Arbor portion of the area, producers have been unable to sell milk on any utilization plan. A certain price is set by bargaining for milk deliveries up to a "base" established for each producer, and additional deliveries are paid for at the manufacturing milk price. The record indicates that this method of buying results in a lower cost to these distributors for milk for fluid sales than the cost to distributors in other parts of the Detroit area.

Dairy farmers supplying the Detroit area who are not cooperative members, over 2,000 in number, have no facilities for regularly checking the accuracy of weights or butterfat tests of milk sold.

No complete statistics are available as to total sales of milk and milk products in the Detroit market or as to total receipts of milk in the market. Negotiated prices must be fixed without full knowledge of the needs of the market or of the supply of milk available. A marketing order would make available complete and accurate market statistics, provide for payment for milk according to use and for verification by audit of all handlers' utilization of milk, and for the checking of weights and butterfat tests.

A milk marketing order is needed in the Detroit area to establish and maintain orderly marketing and a level of prices which will insure an adequate supply of pure and wholesome milk, and to prevent the development of disorderly and chaotic conditions.

(3) *Extent of the marketing area.* The marketing area should include the cities of Detroit, Dearborn, Ypsilanti, Ann Arbor, Pontiac, Mount Clemens, Marine City, St. Clair and Fort Huron and adjacent areas of high population density. This area would cover the territory within the boundaries of 15 townships in St. Clair County, 7 townships in Macomb County, 12 townships in Oakland County, 3 townships in Washtenaw County, 2 townships in Monroe County, and all of Wayne County.

Proponents of the order proposed a considerably larger marketing area cov-

ering a number of rural townships and a few additional small towns. Certain milk distributors proposed an extension of the area to the north along the Lake Huron shore to include Worth and Lexington townships in Sanilac County. Certain distributors objected to including the cities of Ypsilanti and Ann Arbor.

The townships of Lexington and Worth in Sanilac County should not be included in the marketing area. There are no thickly populated areas in these townships except the Lake Huron shore line in the summer season and the small city of Croswell and the village of Lexington. It was not shown that a marketing order is needed to promote orderly marketing in this area. There was no showing that orderly marketing of milk in the Detroit area is influenced by milk distribution in these townships. No request was made by dairy farmers supplying milk to distributors in this area that it be included in the marketing area.

The cities of Ann Arbor and Ypsilanti and surrounding territory should be included in the marketing area. Milk is distributed from plants in or near these cities, which are located near the thickly populated suburban area west of Detroit, in competition with routes operated from Detroit plants. Because of the wide seasonal variations in milk consumption in these cities due to the large student population, distributors are dependent upon the Detroit market for much of their milk supply. Over 6½ million pounds of milk from Detroit receiving stations was supplied to Ann Arbor distributors in the two years of 1948 and 1949. Milk is purchased by Ann Arbor and Ypsilanti distributors from producers without regard to use and apparently at lower prices than if bought on a use basis at the class prices prevailing in the Detroit market. Attempts by the cooperative to have such purchases made on a use basis have failed. The need for a marketing order to bring about orderly milk marketing seems greater in the Ann Arbor-Ypsilanti area than in other parts of the proposed marketing area.

Rural areas and small towns not near to the large cities should not be included in the marketing area. Thirty-one additional townships in St. Clair, Macomb, Oakland, Washtenaw, and Monroe Counties, which are relatively thinly populated and include some 16 small towns and villages, were within the marketing area as proposed. Health regulations with respect to milk in effect in the cities are not applicable in much of the area. It is not considered necessary to include these 31 rural townships in the marketing area to promote orderly marketing of milk in Detroit and nearby cities.

The marketing area as outlined above embraces a contiguous, heavily populated territory served by milk distributors whose routes overlap and intermingle and which constitutes a single milk market, all parts of which are subject to substantially the same conditions and influences. Health regulations with regard to milk are substantially the same in all major municipalities in the area and milk produced on farms approved by the Detroit Health Department is permitted to be sold in all parts of the area. Differences in seasonal consumption in various parts of the area tend to make all of the area dependent on milk produced under Detroit inspection, which is diverted to any part of the area where needed. Failure to include any part of this territory in the marketing area would tend to disrupt orderly milk marketing in the whole area.

(4) *Milk to be priced.* All milk approved by health authorities for regular sale in the marketing area should be priced under the order. A "handler" is defined as the operator of a plant in which milk is processed and from which such milk is disposed of on a route in the marketing area as Class I milk, or a plant which is approved by health authorities of marketing area cities for handling milk for fluid consumption. To avoid including in the pool a plant which never supplies milk to the marketing area a country plant must move to a bottling plant at least 10 percent of its dairy farm supply of milk in the two short supply months of November and December. The handler definition describes the kinds of plants to which farmers deliver milk for fluid uses in the greater Detroit market.

A number of plants disposing of Class I milk on routes in the marketing area receive milk directly from dairy farms. The larger part of the supply, however, is received at country plants and reshipped to city bottling plants. The country plant may be owned and operated by the operator of the city bottling plant or by another person. All of these country plants receive milk only from dairy farms approved by the Detroit Health Department. Receipt of milk from any other source at one of these plants disqualifies the entire plant supply for use in Detroit and other marketing area cities which accept Detroit inspection. By defining a handler as the operator of either an approved country plant or a bottling plant, the handling of all milk regularly approved for consumption in the marketing area is made subject to regulations by the order.

The land boundary of the marketing area extends over 185 miles. A few small milk plants located outside the marketing area dispose of some milk on routes extending into the area. If the amount of such milk is not large, its sale has little or no effect on the marketing of milk in the area. Application of order pricing and payment provisions of these distributors would entail effort and expense and would not contribute to orderly marketing in the area. Prices appropriate in the marketing area might not be appropriate in the localities where most of the sales of these distributors be made. It was proposed that handlers operating bottling plants outside the marketing area and disposing of not more than an average of 600 pounds of Class I milk per day in the area in any month be exempt for that month from all except the reporting and auditing provisions of the order. Limitation of the exemption to handlers disposing of not more than 600 pounds of Class I milk in the marketing area daily, less than one economical route, and transferring no milk to other handlers would furnish adequate protection from unfair competition to fully regulated handlers and guard against any threat to orderly milk marketing in the area. It is concluded that such an exemption should be provided.

The sales area for the Toledo milk market which is regulated by a Federal milk marketing order is very close to the Detroit market at certain points. It appears that certain handlers who have a preponderance of their fluid sales in the Toledo market may have more than 600 quarts of sales per day in the Detroit market. Since these handlers are already regulated under the Toledo order it is not necessary to require them to meet the full obligations of handlers under the Detroit order. An exemption is therefore provided for handlers whom the Secretary determines to be regulated by another Federal order and whose sales are primarily in the other market.

A cooperative which operates a number of country plants receiving Detroit inspected milk has also arranged by contract for the receiving, weighing and cooling of member milk at certain plants not owned or operated by the cooperative. In each case the contracting plant handles no milk except that handled for the cooperative, and the disposition of such milk is entirely under the direction of the cooperative, in most cases being moved from the receiving plant in trucks owned and operated by the cooperative. Payments to producers for this milk are made at a blend price computed on uses of this and other milk marketed by the cooperative. It was proposed that in such cases the order provide that the milk be considered as received at a plant operated by the cooperative and the cooperative thus be made the handler for such milk.

The order provides for the verification of weights and butterfat tests of producer milk, for auditing of producer payrolls, and for determination of the disposition of producer milk. When producer milk is moved in bulk from the plant to which it is delivered by the producers, the identity of each producer's milk is lost. The person operating the plant where the milk is first received must therefore be responsible for weighing and testing the milk, maintaining records of such weights and tests and also records of the disposition of milk received, and usually records of payments to producers. If such person is not a handler under the order he cannot be held responsible for performing the functions listed above. He need not give the market administrator access to the plant or make available to him records of receipts and disposition of milk or facilities for verifying weights and tests. It appears that the person operating each plant which receives milk from producers must be made a handler if the provisions of the order are to be carried out. If the arrangement between a cooperative and the owner of a plant does not make the cooperative the operator of the plant, then the operator of the plant cannot be relieved of his handler status because of the arrangement. On the other hand, if the arrangement is of such a character as to make the cooperative the operator of the plant, or the part of the plant in which

producer milk is received, then no special provision of the order is needed to make the cooperative the handler with respect to this milk.

Special provision is made for handlers who produce milk and receive no milk from other producers or cooperative associations. Defined as "producer-handlers," such handlers are exempted from all provisions of the order except reporting and auditing.

A "producer" is defined as any dairy farmer who produces milk which is delivered to a plant operated by a handler. This definition will identify all of the dairy farmers whose milk deliveries are regarded as a part of the normal Detroit area fluid milk supply. Although most producers will hold permits from a health authority in one of the major cities in the marketing area, there may be some small sections of the marketing area under the jurisdiction of health authorities which do not issue dairy farm permits. A health authority permit is therefore not specified for determining producer status. It is provided that a dairy farmer delivering milk to a plant not operated by a handler may retain producer status if such milk has been diverted from a handler plant. This would permit milk to be diverted to nonhandler manufacturing plants during the surplus season and still be priced and pooled under the order.

Definitions of "producer milk" and "other source milk" are included to distinguish between the regular supply for the fluid market and occasional receipts from other sources. Other source milk may be surplus from another fluid milk market or milk from a plant which is primarily a manufacturing plant. If such other source milk is disposed of as Class I milk in the marketing area a payment on that quantity at the difference between the manufacturing milk price and the Class I price should be required in order to curb any incentive for handlers to drop regular producer supplies of milk to purchase manufacturing milk at a price advantage.

"Route" is defined as a delivery, including a sale from a store, of a Class I product to a wholesale or retail stop or stops, except to a handler. The handler exception avoids qualifying a plant as a handler when deliveries are only made to other handlers. This would prevent a plant from qualifying as a handler and participating in the market pool merely by delivering some milk to a handler plant inside the marketing area.

The provisions of a base and excess plan of payment requires a definition of "base," "base milk," and "excess milk." Other standard terms are defined for the purpose of facilitating subsequent provisions of the order.

(5) *Classification of milk.* Milk should be classified in two classes reflecting the principal differences in the value of milk for different uses.

(a) *Classes.* Class I should include all skim milk and butterfat disposed of for consumption as milk, skim milk, buttermilk, or flavored milk, plant loss of producer milk in excess of 2 percent, and skim milk and butterfat not accounted for in Class II utilization. Class II should include skim milk and butterfat (1) disposed of for consumption as fluid cream (2) used to produce cottage cheese, ice cream or ice cream mix, or (3) contained in dried whole milk, nonfat dry milk solids, whole or skimmed evaporated or condensed milk, sweetened or unsweetened, butter, cheese, or livestock feed, or in milk dumped or in plant loss of producer milk not in excess of 2 percent of all producer milk and all plant loss of other source milk.

All classification proposals included milk and flavored milk for fluid consumption in Class I. Producers proposed that skim milk and buttermilk for fluid consumption be in Class I and handlers proposed that these products be in Class II. Representatives of health departments of the larger cities involved testified that such skim milk and buttermilk are required to be made from milk approved for fluid uses. It is concluded that milk required to meet the sanitary standards for fluid consumption and the products required to be made from such milk (flavored milk, and skim milk and buttermilk for fluid consumption) should be in Class I.

Testimony indicated that there are no farm inspection requirements for milk disposed of in most of the marketing area in any form other than as milk, flavored milk, skim milk, and buttermilk for fluid consumption. Cottage cheese, and cream used for fluid consumption or for ice cream in Detroit must be made in approved plants but the farms producing the milk used in these products are not inspected by city health authorities. There was no showing of any specific difference in the quality of milk used to produce cream and cottage cheese for use in the marketing area and the quality of milk manufactured into evaporated milk, cheese and other products in the various manufacturing plants in the milkshed. Handlers proposed that all products other than those requiring farm inspected milk to be included in one class. There does not appear to be justification, on the basis of the quality of milk required for their production, for different classification for milk used to produce cream and the various manufactured products. Butterfat and skim milk used in cream and all manufactured dairy products and in livestock feed and plant loss are therefore classified as Class II.

Both producers and distributors proposed a separate classification for so-called "distress" milk resulting from production in excess of market needs, which often must be disposed of at lower prices than received for milk for general manufacturing uses. A large amount of the milk not needed for fluid sales is handled by a cooperative which has limited manufacturing facilities. A substantial volume is also received by distributors who have no manufacturing facilities. The disposition of this milk in the spring months of heavy production has been a serious problem. Since manufacturing plants are operating at close to capacity at that time, disposition of this milk may require these plants to operate in excess of normal capacity, involving high cost overtime rates. In some cases it must be transported to distant plants. The choice of plants to which this milk may be diverted may be limited and sometimes it is accepted only at prices lower than those paid for milk from regular supply sources.

The problem of disposing of surplus milk has been met in recent years by providing a class (Class II–B) for all milk received by a distributor in excess of a certain amount, at a price lower than Class II–A, which includes all manufactured milk. Distributors proposed to continue this practice by an order provision that in any month when total market receipts of producer milk exceed 147 percent of market Class I utilization, all producer milk received by any handler in excess of 125 percent of his Class I utilization (provided the handlers' Class I utilization was 60 percent or more of his producer milk receipts in the preceding October, November and December) be Class IV milk, to be priced lower than Class III milk. Producers, however, proposed to meet the problem by providing a Class III made up of plant loss, dumped milk and all manufactured products other than ice cream and cottage cheese to be priced relatively low but somewhat higher than the Class IV proposed by the distributors.

The distributors' proposal does not provide that milk be classified in accordance with the form in which or the purpose for which it is used, but would base classification in part upon the amount of milk received and the amount used in another class. The producer proposal would place a large proportion of the milk used for manufacturing in the lowest price class although there may be no disposal problem with respect to much of this milk.

The record indicates that while the so-called "distress milk" price was in effect for several months in 1949, it was discontinued at the end of October of that year and had not again been used up to the time of the hearing (June, 1950). Also no such lower price was used in 1948 or 1946 and was in effect only 3 months in 1947. For six months prior to June, 1950, the supply of producer milk in relation to Class I utilization had decreased each month as compared with the corresponding month of the preceding year. The problem of surplus milk disposal normally occurs only in the spring months of heavy production. These facts indicate that at least for several months after the order may become effective, a price lower than the Class II price will not be needed to permit disposal of excess milk. It is concluded that a special class for "distress milk" at a price lower than the Class II price should not be provided and no provision should be made for a lower Class II price under certain supply conditions.

Producers proposed that plant loss up to 2 percent of producer milk received be allowed in the lowest price class, any in excess of this amount to be in Class I. Handlers proposed that all plant loss be in the lowest class, claiming that loss of the milk is sufficient incentive to keep such losses at a minimum and that the penalty of Class I pricing of any in excess of 2 percent is not justified. Data submitted indicate that with plant operation of average efficiency, the loss nor-

mally does not exceed 2 percent. Unlimited allocation of plant loss to Class II would place a premium on unaccounted for milk and encourage incomplete records of Class I utilization. Plant losses of producer milk in excess of 2 percent should be included in Class I.

It was proposed that in the case of milk moved from a country plant operated by a cooperative to a bottling plant, the 2 percent plant loss be allowed at the bottling plant. No reasons were given for limiting this provision to plants operated by a cooperative. It would seem that since part of the plant loss may be incurred at each plant, the allowance might more logically be divided between the plants. However, the proposed method avoids the problem of determining a fixed allocation of plant loss between the two handlers. The country plant operator may recover any receiving loss in his handling charge, and present charges probably cover this cost. It is concluded that the proposed provision, without the cooperative limitations, as well as the standard provisions for prorating loss between producer and other source milk, and allowing loss on diverted producer milk at the plant where actually received, should be included in the order.

(b) *Milk transfers.* Provision is made for classification of milk transferred between handlers, handlers and persons not handlers, and between cooperative plants and handlers. In the case of transfers between handlers not involving a cooperative plant, transfer is permitted in any agreed class in which the transferee plant has utilization in an amount equal to or greater than the amount so transferred, after allocating any other source milk to the lowest value use, since under a market-wide pool the classification of milk transferred between handlers may represent any agreed producer milk use without affecting the payment to producers. Each handler involved in a transfer is required to report the agreed classification, otherwise milk transfers are classified as Class I and cream transfers as Class II.

In the case of transfers from a handler plant to a plant not operated by a handler, a requirement that producer milk be allocated to the highest value uses in the transferee plant might increase the difficulty of disposing of surplus milk. Operators of some such non-handler plants have Class I uses and might refuse to handle surplus milk from the Detroit market if such milk would be allocated to their highest value uses. It is concluded that, as proposed, transfers from a handler plant to a plant not operated by a handler in the form of milk or skim milk be in Class I and in the form of cream be in Class II, but that such transfers shall be classified as mutually agreed by the transferor and transferee if the handler reports the transfer in such class, the transferee has use in the agreed class in an amount at least equal to the amount transferred or disposes of butterfat and skim milk to another plant which has such uses in the month. Books and records must be maintained at the plant at which the classification is made adequate to permit the market administrator to verify the reported utilization. In case the agreed utilization in the transferee plant exceeds the total of such utilization in the plant, the excess should be applied to the next higher priced class.

A number of country plants receiving Detroit inspected milk are operated by a cooperative association. Milk is transferred from these plants by tank truck to a large number of handler bottling plants. This milk is now classified for purposes of pricing at the pro rata classification of all producer milk in the bottling plant. Although classification has been on a relatively simple two class, hundredweight basis, market experience has shown that about a month is required to get the utilization reports from all the various buyers and to prorate the transferred milk to each class. Final settlement has not been made until the second month after delivery of the milk.

It is recommended herein that utilization of all handlers, including cooperatives, be reported not later than the 5th working day of the month following receipt of the milk, and that a uniform price based on these utilization reports be computed and announced not later than the 11th. It was considered improbable that the cooperative could collect utilization reports from the large number of handlers involved, compute other source milk allocation, prorate cooperative transfers of producer milk over remaining utilization, combine the results into a utilization report for the cooperative and submit it to the administrator in the 5 days allowed. Furthermore, any audit adjustments in classification for each handler involved would require an adjustment between the handler and the cooperative and a second adjustment between the cooperative and the equalization fund of the market-wide pool.

To simplify the procedure of accounting for such transfers, and to facilitate the reporting of utilization by the date specified, it was proposed that handlers operating bottling plants be required to pay the cooperative association a minimum of the base price for the month for such milk. In computing the cooperative equalization account the value of such bulk milk transferred to bottling plants at the base price would be added to the class values of other utilization.

This proposal would not affect the final cost of milk to handlers or the return to producers, and differs from settlement between the cooperative and transferee handlers at a pro rata or an agreed classification only in the method of handling a relatively small difference between the value of the transferred milk at the pro rata or agreed classification and such value at the base price. This difference would be reflected in the handler's payment made to or received from the equalization account. The recommended procedure would provide the same assurance of payment for milk marketed to handlers through a cooperative plant as for milk delivered directly by producers, and would result in payment for milk by each handler at his utilization value with a minimum of accounting requirements. The use of the base price in computing the equalization account charges and credits for such transferred milk is recommended because it would result in initially charging each handler at the approximate utilization value of the milk and, therefore, relatively small settlements with the equalization fund would be required.

It was proposed that a cooperative not be a handler with respect to milk transferred in bulk to a handler operating a bottling plant. A cooperative operating a plant which first receives milk from producers must be responsible for all records of milk receipts and of payments and therefore should be a handler with respect to all producer milk received at such plant.

Since some handlers combine operations which utilize other source milk and producer milk in the same plant, it is necessary to provide a method for allocating such other source milk to the various classes of utilization. Since producer milk includes all milk which is regularly available for fluid disposition in the marketing area, the method of allocating provides that such producer milk shall be allocated to the higher value uses to the extent that such uses are available.

(6) *Class prices.* Since the Detroit fluid milk market supply is obtained from a region in which large quantities of milk are delivered to plants which manufacture various milk products, it is necessary that the price for the fluid market be closely related to the level of prices being paid at competing manufacturing plants. There are some differences from time to time between the prices paid at plants manufacturing different products. Therefore, the Class I price should be related to that particular manufacturing milk price which represents the best outlet for manufacturing milk at any particular time. The method of accomplishing this has been to relate the Class I price to a series of basic formula prices which represent different kinds of manufacturing milk prices. Special differentials should be added to the highest of the prices determined by 4 separate alternate price formulas to determine the Class I price for each month.

(a) *Basic formula price.* Producers proposed 4 alternate basic formulas for use in determining the Class I price based on prices of butter and powder, butter and cheese, prices paid dairy farmers by 18 midwest dairy manufacturing plants and by 5 Michigan dairy manufacturing plants. Distributors made the same proposal and also proposed use of the same basic formulas in slightly modified form, and the 18 midwest plant price only.

The first 3 of the price formulas included in the producer proposal are widely used for determining Class I prices in milk markets under Federal regulation. The use in this order of these price formulas with appropriate Class I price differentials would correlate the Detroit Class I price with Class I prices in other markets such as Toledo and Cleveland. No objection was made to the use of the average of prices paid by certain Michigan manufacturing plants as an alternate basic formula, but there was disagreement as to which

specific plants should be used. A number of different plants were proposed for inclusion, and the use of 7 plants instead of 5 was suggested. The following considerations should govern the selection of these plants so far as possible:

(1) Cooperative plants should not be included since their pay price to farmers usually includes only part of the return for milk, the remainder being paid as a patronage dividend which is not reflected in the reported pay price.

(2) Plants operated by a handler under the order should not be included because prices should be determined wholly independent of the actions of any handler.

(3) The plants selected should represent as wide a variety of manufactured products as possible.

(4) The plants should be so located as to represent all parts of the milkshed.

The use of 7 plants involves the possible difficulty of getting prompt payments reports, and it is improbable that the added quotations would influence the average price appreciably or make it more representative of manufacturing milk values in the area. The reporting of pay prices by the plants selected is voluntary and the use of any plant pay price in this formula will depend on consent of the plant operator to report his average pay price.

The following 5 Michigan plants appear to most nearly meet the requirements set forth above and should be used in determining the basic formula price.

Company	Location	Products
Fairmont Foods Co	Bad Axe	Butter, condensed milk, ice cream mix.
Kraft Cheese Co	Clare	Cheese.
Carnation Milk Co	Sheridan	Evaporated milk.
Grand Ledge Milk Co	Grand Ledge	Nonfat dry milk solids, sweet cream.
Pet Milk Co	Hudson	Evaporated milk.

Use of the highest formula price as the basic formula price would base the Class I price on the most favorable manufacturing use for milk in each month. In an area where all important dairy products are manufactured, fluid milk markets must compete for milk with plants making the highest value products. The Class I price should therefore be based on the formula representing the highest value for milk for manufacturing.

(b) *Class I price.* The Class I price should be determined by adding $1.35 to the basic formula price. This added differential should be increased 15 cents when a shortage of producer milk for Class I utilization is indicated by the ratio of receipts of producer milk to Class I utilization in the second 2 preceding months and decreased by 15 cents when an excess supply of milk is so indicated. An additional 15 cents should be added or subtracted for each additional full five percentage points decrease or increase in the ratio of producer milk receipts to Class I utilization.

Producers proposed a Class I price differential of $1.40 to be added to the basic formula price each month. Distributors proposed various differentials varying seasonally, which would average about $1.10 over the year, and one to be determined each month by a supply-demand formula. It was testified that a large proportion of the milk supply for the Detroit area is received at country stations and reshipped to bottling plants. The country station location differentials proposed by producers average 17 cents per hundredweight so that the Class I price reflected in the price to most producers at the point of milk delivery would average 17 cents below the marketing area price. This must be taken into account in setting the Class I differential.

Data covering an estimated 80 percent of the market value of milk deliveries indicate that the average number of producers supplying the market increased 1.5 percent from 1946 to 1949, while the average milk deliveries per producer increased 2 percent. In the same period, however, average daily Class I sales increased 5 percent. For the three years 1947 through 1949 producer milk deliveries averaged 135 percent of total Class I sales. The Class I price negotiated by the cooperative during this 3 year period averaged $1.39 over the proposed basic formula price. For the year 1947 the Class I price in Detroit averaged $1.23 above manufacturing milk prices as represented by the recommended basic formula price, and for the first 8 months of 1948 averaged only 86 cents above. These relatively low prices were associated with a decline in milk receipts in relation to sales. For the 12 month period ending with July 1948 Class I sales averaged 81 percent of producer milk receipts and during the period from November 1947 through February 1948 the market was short of milk.

Deliveries of milk to the Detroit market seem to respond readily to changes in the relationship of Detroit prices to prices for manufacturing milk. When the differential between the two prices has been large deliveries to Detroit have increased. When the price differential has narrowed deliveries have fallen off. Manufacturing milk prices dropped sharply after August, 1948, and the Class I price was increased, with the result that for the 9 month period from September 1948 through May 1949, the differential between Detroit Class I prices and manufacturing prices averaged $2.05 per hundredweight. This period of relatively high Class I prices brought about a reversal of the downward trend of milk receipts in relation to sales. For the year of 1949 Class I sales averaged 69 percent of producer milk receipts compared with 80 percent for 1948, and the supply each month exceeded that in the corresponding month of 1948. In the 12 month period of June 1949 through May 1950, the Class I price averaged $1.41 above the proposed basic formula price. During the first 7 months of this period, producer milk receipts increased in relation to Class I sales to a high point in December 1949 in which month only 70 percent of producer milk was sold as Class I compared with over 84 percent in December 1948. The maximum effect of the high differential between Detroit prices and manufacturing prices from October 1948 through May 1949 and of other factors such as favorable weather and ample feed supplies seems to have been reached by the end of 1949.

During the first 5 months of 1950 the excess of milk receipts over the corresponding months of 1949 decreased and receipts in May 1950 were below May 1949. During this period the Class I price was at approximately the level above manufacturing milk prices which producers proposed be fixed by the order. The record of milk receipts and Class I sales would seem to indicate that a Class I differential as high or higher than that proposed would be necessary to insure an adequate supply of milk. However, a number of provisions of the order other than the Class I price would have the effect of increasing the average return to producers. Distributors not in the present pool but who would be handlers under an order have a higher average Class I utilization than those now pooled. A higher butterfat differential would increase the return somewhat for Class I milk. The Class II order price recommended would probably return somewhat more for milk for these uses than was realized in 1949. Payment for all milk on a complete classified use basis would probably increase the average price to producers for all milk somewhat, and an audit verification of all handlers' uses would tend to have the same result.

Considering all of the factors discussed above, it is concluded that a Class I price differential of $1.35, subject to a supply-demand adjustment as recommended below, will attract to the Detroit market area an adequate supply of milk meeting the applicable health standards.

A proposal was made that the Class I price differential be adjusted monthly in relation to changes in the ratio of producer milk receipts to Class I utilization. Such a provision appears desirable but the proposal made should be modified somewhat. There are objections, for instance, to relating a current period to a 1947–48–49 base period, as proposed, as a measure of the time and amount of price changes desirable. During this 3 year period producer milk deliveries were 135 percent of Class I utilization, a larger supply than necessary to insure sufficient milk for Class I utilization in the short supply months. The 3 year period was one of wide variations both in prices and in production. The Class I price ranged from 58 cents above the proposed basic formula price to $2.32 above and producer milk receipts ranged from 107 percent of Class I utilization in December 1947 to 143 percent in December 1949. For these reasons the 1947–49 period does not seem to be suitable either as an indication of an appropriate Class I price differential, or as a guide to the normal seasonal variations in the ratio of receipts to Class I utilization.

The object of a supply-demand price adjustment in this market is to bring about an automatic price increase when the supply of producer milk is at such a level in relation to Class I utilization that a shortage in the months of seasonally low production is indicated, and a price decrease when the supply may be expected to be substantially above Class I needs in the low production months. These price changes should be made as soon as possible after an oversupply or shortage is indicated, as a lag of a few months may result in increased prices in the spring months of high production as a result of a shortage the previous winter. A minimum lag of 2 months appears necessary, allowing computation in the current month of the market supply-demand relationship in the preceding month to be applied to the Class I price in the next following month.

It was testified that a minimum milk supply for the market of 115 percent of Class I utilization is needed in any one month to provide adequate milk for Class I uses because of unequal distribution among handlers and daily and weekly variations in receipts and sales. A supply of more than 130 percent of Class I utilization in the shortest supply month would indicate a supply larger than needed. An upward price adjustment would be indicated if the market supply of producer milk in the shortest supply month might be expected to fall below 115 percent of Class I utilization and a downward adjustment indicated if this supply might be expected to exceed 130 percent of Class I utilization. Monthly data on daily average deliveries per farm indicate a fairly uniform seasonal variation in production each year. The supply-demand ratio for other months which would correspond to 122.5 percent, the midpoint of the 115 percent—130 percent range, in the shortest supply month may therefore be computed by adjusting this ratio by a standard seasonal variation in producer milk deliveries computed as an average of the seasonal variation of the most recent 5 years. A Class I price increase is then indicated at a full 7.5 percentage points below the adjusted ratio and a decrease at a full 7.5 percentage points above the adjusted ratio, as computed for each month. It may be necessary to revise the standard seasonal adjustment after data becomes available on the seasonal production of all producers supplying the market. If the seasonal variation in the production of all producers shows a wide divergence from that indicated by the data now available, it may be necessary to postpone the effective date of the supply-demand adjustment until complete data is available. The possibility of erratic price movements due to temporary influence may be largely removed by use of a 2-month period instead of one month, and is so provided.

Producer milk receipts in relation to sales and to producer prices over the last 4 years indicate that the proposed 3 cents per percentage point is a desirable rate of supply-demand adjustment of the Class I price differential after providing a 15-cent change for the first full 7.5 percentage point variation. A period of 9 months during which the Class I price averaged about 82 cents above the recommended basic formula price coincided with a period of milk shortage. Another period of 8 months during which the Class I price averaged about $2.12 above the recommended basic formula price coincided with and was followed for several months by an oversupply of milk. These data indicate that a range of Class I price differentials somewhat less than these extremes is desirable. A price change of 15 cents for the first 7.5 percentage points variation in the ratio, and an additional 15 cents for each 5 percentage points, when applied to the supply-demand ratios of the last 4 years gives a top differential of $1.80 (in 3 months only) and a low (in 3 months only) of 90 cents. It is unlikely that either of these extremes would have been reached had the recommended pricing plan been in effect during these years, since the computed range of 90 cents to $1.80 is based on production responses to Class I price differentials ranging from a low of 58 cents to a high of $2.32. The range which might be expected from the use of a 15-cent adjustment for each 5 percentage points probably would not exceed $1.05 to $1.65 which appears appropriate to stimulate an ample supply of producer milk and at the same time avoid a large surplus.

To remove the possibility of a succession of increases and decreases if the ratio should fluctuate slightly above and below the level at which a price change is effected, it is provided that after a price change occurs a change in the ratio of an additional ½ percentage point is required to bring about a succeeding change in the opposite direction.

(c) *Class II price.* The Class II price should reflect the value of milk for general manufacturing uses in the Detroit milkshed. The average of the prices paid by 5 Michigan dairy manufacturing plants, as recommended for use as an alternate basic formula price, will normally reflect the value of milk in the Detroit area which is not used for fluid milk sales. Much of this milk is diverted to manufacturing uses in the various plants in the milkshed, and the 5 plant average price will usually be representative of the prices received for this milk, because of the selection of the plants as discussed in connection with the basic formula price.

It is possible, however, that due to the limited number of plants which it is practical to use, and the limited area represented, that prices paid by these plants may be lower at times than the market prices of manufactured dairy products would justify. As a safeguard against temporarily depressed prices in the local area, an alternate Class II price based on the market prices of butter and nonfat dry milk solids should be provided. A formula used in many milk markets under Federal regulation for pricing milk for manufacturing uses is recommended. This formula determines butterfat values at the average price of 92-score butter at Chicago plus 20 percent and skim milk values at the average price of spray and roller process nonfat dry milk solids at Chicago area plants less a manufacturing cost allowance of 5.5 cents per pound and converted to skim milk equivalent by use of a yield factor of 8.5 pounds of powder per hundredweight. Use of this formula price as an alternate Class II price would insure a price in line with national values of manufactured dairy products during any periods when the price paid by the particular local plants selected might be abnormally low for any reason.

(d) *Method of pricing.* Producers proposed that butterfat and skim milk be classified and priced separately. Distributors objected to butterfat and skim milk pricing, and proposed that the utilization in each class in hundredweight be priced at a 3.5 percent hundredweight price, adjusted to average test of the class by use of the producer butterfat differential, which averages about 112 percent of the Chicago 92-score butter price. They contended that resale prices of the various products marketed are adjusted to this method of pricing milk, which has been in use in the market for many years. This method of pricing tends to encourage consumption of butterfat, they claimed, by fixing a relatively low cost for high butterfat content products. Producers claimed that all handlers should pay the same price for all butterfat and skim milk used in any one class and that the relative values of butterfat and skim milk in each class should be the relative values in the open market as shown by market prices of butter and nonfat dry milk solids. These relative values should change from month to month as market values change. The additional cost of producing milk of the quality required for Class I products should be allocated to Class I butterfat and skim milk in proportion to the market values of butterfat and skim milk for manufacturing uses. They pointed out that the distributors' proposal allocated all of this additional cost to the skim milk.

Computing the proposed prices by the method suggested by distributors, for the month of April 1950, skim milk in Class I would have cost $1.99, 3.2 percent milk $4.03 and 5.0 percent milk $5.24. The added fat would cost less than the price proposed for butterfat in the Class II formula. In Class II, 100 pounds of 40 percent cream would have cost $26.71 while the 40 pounds of butterfat in this cream would be worth $28.70 at the butterfat value in the proposed Class II formula (Chicago 92-score butter plus 20 percent). Under the pricing method proposed by producers, the corresponding prices would have been 74 cents for skim milk, $3.96 for 3.2 percent milk, $5.78 for 5 percent milk and $29.01 for 40 percent cream.

The proposed methods of pricing milk on a hundredweight basis or a butterfat and skim milk basis represent alternate accounting methods and do not determine the cost of milk to handlers or the return to producers. In view of the market custom of hundredweight accounting and pricing, it appears that a continuation of this method of pricing by the terms of the order is desirable. Class prices should be expressed as hundredweight prices, and the price for each class should be adjusted to the actual butterfat test of the class by use of

the butterfat differentials recommended below.

The classification and allocation of producer milk should be on a skim milk and butterfat basis. Because of the wide variation in the butterfat test of the various products, it is probable that the skim milk from producer milk will frequently be utilized in a different class than the butterfat from the same milk. Classification of skim milk and butterfat separately is necessary to accomplish complete classification according to use. It is also necessary to allocate producer skim milk and butterfat separately in order to give producer milk preference over other source milk in the higher value uses.

(e) *Handler butterfat differential.* The Class I butterfat differential proposed by distributors places a low value on butterfat in Class I milk relative to the hundredweight value of the milk. On the other hand, the producer proposal would price such butterfat relatively high, particularly in view of pricing practices prevailing in the market. The proposed Class I and Class II price formulas would have resulted in the last 3 years in a Class I price for 3.5 percent milk ranging from 23 percent to 32 percent above the Class II price. A Class I butterfat differential set at 20 cents per pound of butterfat above the producer butterfat differential recommended herein would result in a Class I differential ranging between 20 and 30 percent above the Class II butterfat differential, depending on the level of butter prices. A differential so determined would range from 25 to 35 cents above the Chicago 92-score butter price. At price levels of April 1950 this would provide a Class I butterfat differential of 85 cents per pound compared with 65 cents proposed by distributors and $1.015 proposed by producers. It is concluded that the addition of 2 cents to the one-tenth pound producer butterfat differential, which is based on the price of 92-score butter at Chicago, will provide an appropriate Class I butterfat differential.

Since formulas are provided for determining the butterfat and skim milk values in one of the alternate Class II prices, the butterfat differentials in this case should be the butterfat value determined by the formula. In the event the 5 plant average pay price is the effective Class II price, an equivalent butterfat differential may be determined by assigning to the butterfat, as proposed, the percentage represented by the butter portion of the butter-powder formula in the same month. This may be accomplished by dividing the butter formula by the hundredweight butter-powder price, multiplying the 5 plant price by the resulting percentage and dividing by 35.

(f) *Location adjustments.* Adjustments for delivery location are provided with respect to payments to producers for milk delivered (1) at country plants (i. e. plants from which no route deliveries are made into the marketing area) located more than 34 miles from the Detroit City Hall and (2) at plants from which route deliveries are made into the marketing area if such plants are located more than 34 miles from the nearest point on the periphery of the marketing area. A credit to handlers at the same rate is provided on milk moved from a country plant to plants operating routes in the marketing area not in excess of Class I disposition of such milk at the receiving plant, and on milk disposed of as Class I milk from the country plant other than to a handler. No location adjustments are provided for plants operating routes in the marketing area and located inside or less than 34 miles outside the marketing area, on payments to producers for milk received or as credits on milk disposed of as Class I or moved to bottling plants.

It was proposed that producer and handler location adjustment rates now in effect be incorporated in the order. For more than 30 years a location adjustment has been applied to milk received at country plants for re-shipment to city bottling plants in the Detroit area. This adjustment, based on the distance of the country plant from some point in the marketing area, has been deducted from the marketing area delivery price in making payments to farmers delivering milk to country plants, and a credit at the same rate has been allowed to country plant operators on milk moved to city plants.

In the earlier years these location adjustment rates were increased several times, reaching a high in 1930 when they ranged from 24 cents per hundredweight at 25 miles or less to 81 cents at 90 miles from the basing point. During the following 9 years the rates were lowered 4 times, to a low which ranged from 12 cents at 45 miles or less to 19 cents at points over 94 miles from the basing point, which rates prevailed for the two years following September 1, 1939.

The slightly higher schedule proposed, which has been in effect since October 1, 1947, provides an adjustment of 14 cents on milk received at or moved from a plant located in a zone 34 miles to 49 miles from the Detroit City Hall by shortest road distance, and an additional 1 cent per hundredweight for each additional 8 mile zone with a limit of 21 cents, which applies to any location beyond 97 miles. While no data were given on milk hauling costs, the proposed rates were considered adequate to cover cost of transporting the milk by tank truck from the receiving plant to city bottling plants. No allowance was proposed for the zone within 34 miles of the city hall as milk produced within this zone may be delivered more economically directly to city bottling plants.

The location allowance is limited to a maximum of 21 cents which is the allowance applicable to the zone starting at 97 miles from the Detroit City Hall. Ample milk for the market is available within the area included in the 8 zones for which mileage rates are provided and very little milk is moved from beyond 97 miles. The movement of milk for unnecessarily long distances at the producer's expense would not be economical. The proposed maximum rate of 21 cents would not discourage the movement of milk from reasonable distances beyond the 97 miles as the economies of the long haul would to some extent offset the lower rate per mile.

Both the Grand Boulevard and the city hall in Detroit were proposed as basing points for location adjustments. Mileage may be determined more readily from a single point than from a street extending many miles. The Detroit City Hall is therefore specified as the basing point for all distance differentials. Zone distances 4 miles greater than now in use based on the Grand Boulevard are provided to allow for the distance of between 3 and 4 miles between the two basing points. The shortest road distance as determined by the market administrator was proposed for fixing the zone location of country plants and appears satisfactory for this purpose. The location adjustments as proposed would apply to all producer milk delivered to qualifying country plants in each zone and it appears would result in a fair value for such milk in relation to the value of milk delivered at city bottling plants.

It was proposed by producers that handlers operating receiving plants in the location adjustment area receive a credit computed by applying the applicable zone route to all milk moved to marketing area bottling plants regardless of the use classification of the milk so moved. Handlers proposed that the customary method of pricing milk be continued and this method, in effect, allows the location adjustment credit on 107 percent of Class I utilization. This results from adjusting the city price of Class II–B milk, which includes all producer milk in excess of 107 percent of Class I milk, by adding the average location adjustment of 17 cents to the Class II–B price formula. While the location adjustment credit is allowed on all milk moved to city bottling plants, it is in effect removed from Class II–B milk by increasing the marketing area price by the average location adjustment. This method of pricing manufacturing milk is not recommended.

Producers should not be required to bear the cost of transporting manufacturing milk from country plants to city plants. Milk may usually be manufactured more economically in country plants, and if a handler chooses to transport milk into the city for manufacture he should pay the cost of transportation. The handler location adjustment should apply therefore only to milk moved to bottling plants for Class I use. The use of milk moved from country plants would be determined by pro-rating to such milk the classification of all producer milk in the bottling plant (after first allocating other source milk to the lowest value uses).

In most cases some milk must be moved to bottling plants in excess of Class I needs and distributors proposed that the transportation allowance apply to some amount of milk in excess of 100 percent of Class I utilization. While it is true, as pointed out above, that present allowances cover 107 percent of present Class I utilization, the order Class I would include certain products not presently included in Class I. The transportation allowance would therefore apply to approximately the same volume of milk as the present allowance, which testimony indicated is generally considered satisfactory.

Because of the large size of the marketing area, some bottling plants located in the marketing area would also be in

a zone to which a location adjustment would apply. It was proposed that the producer location adjustment apply to milk delivered to such plants as well as that delivered to country receiving plants. It was further proposed by distributors that handlers disposing of Class I or Class II producer milk from plants located in a location adjustment zone, including bottling plants in the marketing area, receive a credit on such milk at the rate of the handler location adjustment applicable to the zone. Producers also proposed such a credit, but that it be applicable only at plants located more than 65 miles from the Detroit City Hall.

The portion of the marketing area including the city of Ann Arbor would be in the first location adjustment zone (34 to 49 miles from the Detroit City Hall) and that including Port Huron and nearby cities would lie in the first 3 zones (34 to 65 miles from the Detroit City Hall). As proposed, producers delivering milk to Ann Arbor bottling plants would receive 14 cents less than for milk delivered within the 34 mile zone, and those delivering to plants in Port Huron and nearby areas would receive 14 to 16 cents less. As proposed by handlers, a handler credit of like amount would be allowed on Class I and Class II disposition from these plants. Under the producers' proposal, however, no credit on Class I and Class II disposition would be allowed within the 65-mile zone, which would exclude all plants within the marketing area.

All parts of the marketing area are dependent upon the entire production area for a year around supply of milk. While part of the milk for the Ann Arbor and Port Huron areas is supplied by nearby farms, both areas depend for a large amount of milk on country plants which are part of the supply system for the entire marketing area. The prices necessary to attract an adequate supply of milk for the entire area should apply therefore to all parts of the area.

Location adjustments to producers are provided to adjust the amount paid for milk which is not delivered to city bottling plants to allow for the additional cost of moving such milk from the plant where it is delivered by the producer to the area where it is to be distributed and should not apply to milk delivered by a producer to a bottling plant distributing milk in or near the marketing area unless the bottling plant is located an appreciable distance from the marketing area. No location differentials are recommended at points nearer than 34 miles to the Detroit City Hall. The same distance is appropriate for determining the application of a location differential to plants operating routes in the marketing area, except the distance should apply to the nearest point by highway to the boundary of the marketing area. It is provided that location adjustments, both producer and handler, apply to milk delivered to plants more than 34 miles from the Detroit City Hall, and in the case of plants operating routes in the marketing area, also located more than 34 miles from the boundary of the marketing area by shortest highway distance.

Handler plants receiving milk approved for sale in the marketing area may dispose of Class I milk in localities outside the marketing area. It was testified that the Detroit market is the dominant factor in the determination of prices in the entire milkshed. Hence, the Detroit marketing area Class I price, less the applicable location adjustment, would represent approximately the value of Class I milk disposed of from any plant in the Detroit milkshed. It is provided that a handler shall receive a credit with respect to Class I milk disposed of, other than to another handler, from a plant outside the marketing area from which a route is not operated in the marketing area at the rate of the location adjustment for the zone in which the plant is located. This credit is made applicable only at plants located more than 34 miles from the nearest point by highway to the boundary of the marketing area in the case of plants disposing of milk on routes in the marketing area. No allowance is provided for Class II milk since this milk would be mostly used in manufactured products and its value would not decrease at locations more distant from Detroit.

(g) *Transportation credits.* No transportation credits in addition to the zone location adjustment should be allowed to handlers on Class I milk disposed of, or on Class II milk moved for manufacturing.

It was proposed that a credit be allowed to a handler on any bulk, unpasteurized milk moved to a person other than a handler at a location 65 miles or more from the Detroit City Hall for Class I utilization computed at a rate of 17 cents for the 65 to 73 mile zone from the Detroit City Hall and increased one cent for each additional 8-mile zone. It was testified that the proposal was intended to permit disposal of milk during the summer season to milk distributors in distant resort areas at a price not in excess of the Detroit Class I price at the handler's receiving plant.

This proposal conflicts with the proposal discussed above to allow a credit on any Class I disposition other than to another handler from certain plants at the rate of the location differential applicable to the plant. This proposal, in effect, would require producers to pay the transportation cost to any point more than 64 miles from Detroit where a handler might choose to dispose of bulk Class I milk. If Class I milk from the Detroit area is needed in a distant market, it appears that the cost of transporting the needed milk should be borne by the market which is short of milk and not by the milk producers of the area from which the milk is supplied.

It was also proposed that a credit be allowed to handlers on milk transported from the plant where it is received from producers to another plant for manufacture at a rate of 6 cents per hundredweight for distances of ½ mile to 5 miles between the receiving plant and the manufacturing plant and at the rate of 1 cent for each additional 6 miles or fraction thereof with a maximum allowance of 18 cents per hundredweight.

In the Detroit market some milk distributors receive all of their milk needs from producers, either at a city bottling plant or at country plants, and manufacture the receipts in excess of their fluid milk needs into dairy products, generally at the plant where the milk is received from producers. If it is necessary to move any of the milk to another plant for manufacture, the transportation cost is paid by the distributor. Other distributors buy part or all of their milk from a producers cooperative association and assume no responsibility for disposing of milk in excess of their needs for fluid sales. The cooperative must arrange for converting the surplus milk which these distributors would otherwise be required to handle into manufactured products and in doing so must move substantial quantities from the country plants where it is received from producers to other plants for manufacture. It is expected, therefore, that the cooperative would be the main recipient of the transportation credits under this proposal.

If the proposed credits were provided for in the order, some of the costs which the cooperative must bear in the disposal of surplus milk would be defrayed out of the equalization pool and ultimately reflected in a lower return to all producers. A number of handlers have arranged to dispose of all surplus milk incident to their operations without the necessity of transporting milk at the expense of producers. The level of surplus milk prices which is provided is designed to cover the cost of converting surplus milk into manufactured dairy products. Any extra costs which the cooperative must bear appear to be due to additional services performed for certain distributors such as furnishing milk in the exact amounts needed for Class I uses, maintaining country receiving plants, keeping an adequate supply of milk available at all times and handling the disposal of any milk not needed by these distributors. It appears that these extra costs should be reflected in the cost of milk to the distributors who receive the additional services rather than be charged to producers through pool credits. The charge for manufacturing milk should be the same for all handlers, including cooperatives, without special allowances or credits applicable to particular methods of handling this milk.

(7) *Payments to producers*—(a) *Type of pool.* Market-wide pooling of all proceeds of producer milk was proposed and no objection was made to this type of pool. The nature of the market requires a uniform price to all producers representing the value of all market utilization to fairly compensate producers for their contribution to the market supply. Some distributors buy as closely as possible to their needs and carry little or no surplus in the high production months. A cooperative handles a large portion of the spring surplus production and supplies many distributors with milk as needed. Distributors in the Ann Arbor area buy from producers less milk than needed for a large portion of the year, and depend on additional purchases of milk in bulk from a cooperative. Some country plants supply milk for fluid distribution only in a few months of low production but maintain an available supply at all times. Producers supplying these various handler plants contribute equally to making available a year around supply of milk but would

receive widely varying returns under an individual handler pool method of payment.

Handlers are required to make payments for all producer milk received at the uniform base price for base milk and the excess price for excess milk, as explained below, either to producers directly or to a cooperative association for milk delivered by member producers. In the case of producers for whom a cooperative acts as marketing agent, payments may be made to the producer or to the cooperative, as agreed between the cooperative and the handler. Payments to a cooperative for producer milk delivered in bulk are required to be made at the uniform base price for the reasons set forth in the discussion of transfers.

(b) *Base-excess plan.* A "base plan" for returning the proceeds of milk sales to producers in a way which will encourage more uniform seasonal production is provided. Milk is to be paid for on the basis of deliveries during the August–December period.

A base plan has been in use in the Detroit market since 1930 and a proposal was made to incorporate this plan in the order in substantially the form now in use. It was shown that at the time the base plan of payment was introduced 20 years ago, milk deliveries to the market in the highest production month were 175 percent of deliveries in the lowest month. After 10 years of operation of the plan (1940), milk receipts in the highest production month were only 126 percent of the lowest month. During the next 5 years wartime demand and higher prices apparently somewhat offset the base plan incentive for even seasonal production. By 1945 the seasonal variation in milk receipts as measured by the percentage relationship of the highest month to the lowest month had increased to 146 percent. In the following 4 years seasonal variation in production improved and in 1949 the high month was down to 134 percent of the low month. If the seasonal variation of 1930 had prevailed in 1949, and November deliveries had been only adequate for market needs (115 percent of Class I utilization), deliveries in June would have been over 201 percent of Class I and in volume over 60 million pounds of milk in excess of Class I needs. It was stated that in view of the difficulty experienced in disposing of the actual market surplus in 1949 when June receipts exceeded Class I utilization by only 30 million pounds, a completely demoralized market might have resulted without the influence of the base plan on seasonal production.

Basically, the plan provides that each producer will receive approximately the marketing area Class II price for milk delivered each month in excess of a daily average amount, the producer's "base", which base is the daily average of shipments of the producer for the period of August through December of the previous year, the "base period." For milk deliveries not in excess of base, a "base price" is paid which is computed by dividing total market base milk deliveries into the remaining returns for all producer milk marketed during the month after deducting the value of the excess milk. The plan as proposed by the cooperative differed from the simplified outline above in two major respects: (1) in the case of a daily average of base period deliveries lower than the base already held by a producer, the new base would be the previous base less any amount by which 90 percent of the previous base exceeds the average daily base period deliveries, and (2) once during each year a producer may elect to give up his base and to establish a new base under the method proposed for establishing the base of a new producer.

It was proposed that a new producer entering the market, or a producer electing to give up his base, be paid for a certain percentage of his milk during each of the first three full months of delivery at the base price and the remainder at the excess price. These percentages are fixed for each month at a somewhat lower percentage of base and higher percentage of excess than the normal market average of all producers for the month. The average daily amount of milk paid for as base milk over the three-month period would determine the producer's daily base until a new base is established. The percentages proposed are now in use in the market and reflect the difference in seasonal production patterns of old producers and new producers as determined from market experience. The low spring percentages are necessary if producers are to be given the option of establishing a new base in order to prevent producers having a wide seasonal variation from receiving higher payments than justified by establishing two bases each year. The recommended percentages of milk deliveries to be paid for at the base price, 75 percent for February, 70 percent for March, 80 percent for April and July and 40 percent for May and June, are appropriate for making payments in these months to new producers and to producers who elect to establish new bases. Payments during the base period, however, should be at the market blend price as discussed below. Base should be established on deliveries during the base period at 80 percent of deliveries. This would give old shippers the option of establishing a new base on 100 percent of daily average deliveries in the 5 months of August through December or 80 percent of deliveries in the 3 months of October, November and December.

In the Detroit market the months of lowest production in relation to fluid milk sales are normally October, November, December and January. The base period proposed includes August and September which are usually months of more plentiful supply than are January and February, and does not include January. These months appear to have been selected to offset the lag in production responses which requires the stimulas to fall and winter production to become effective some months in advance of the period of shortest production in relation to market needs. A base period extending through January and February would tend to result in higher production in the spring months of oversupply. Deliveries of base milk in the 5 months of the base period averaged over 87 percent of Class I sales in the last 4 years, and over 91 percent in 1946 and 1947, which indicates the desirability of shifting production to those months. It is concluded that the proposed base forming period should be adopted except that deliveries for only 122 days during the period be required. This would allow for a producer starting delivery not later than September 1, and for limited lapses in delivery during the period.

Continuation of producer payments on the base and excess plan during the base forming months was proposed. The base-excess plan was proposed as an incentive for more even seasonal production, the objective being to encourage each producer to produce more of his total year supply of milk in the late summer and fall months and less in the spring months. The plan, therefore, should not discourage increased fall production by requiring payment for all or part of higher production at the excess price. It was proposed that a new producer, or an old producer desiring to establish a new base, be paid during the base forming months at the base price for 80 percent of his milk deliveries and at the excess price for 20 percent. However, no penalty should be imposed during these months when the supply of milk is shortest in relation to demand, either on new shippers entering the market or on old shippers who desire to increase the level of their milk deliveries. It is concluded, therefore, that during the base forming months a new shipper, or an old shipper who relinquishes his base, should be paid the market blend price for all milk delivered during up to 3 of these months, and a base then be established at 80 percent of the average daily deliveries during 3 months. If deliveries are made for 4 or 5 of the base forming months, a new base of 100 percent of such average deliveries would become effective February 1. Only 80 percent of a producer's deliveries are allowed as base when the base is established on three months deliveries. Such deliveries are made at the uniform price. Deliveries of milk for two of the base forming months in the case of old shippers and one or two months in the case of new shippers are made under the previous base or the newly established 80 percent base in establishing a base on 100 percent of his deliveries. These provisions will require re-examination after data are available on the results of their operation to determine the possible restrictive tendencies.

The proposal that bases be reduced by the difference between the average base period deliveries, and 90 percent of the previous base was the result of long experience in the market which has shown that such an adjustment eliminates most cases of inequity and dissatisfaction because of reductions in base due to accident, disease, weather, feed quality and other conditions more or less beyond the control of the producer.

A producer may desire to change his level of production and should not be required to receive payment for the higher production at the excess price until the next February 1st. It was proposed that producers be permitted to re-establish a base in line with their

normal production level by allowing any producer to relinquish his base and to establish a base as a new producer once during each year. This would make the plan more flexible and would take care of cases of abnormally low production during the base period due to unsual circumstances.

A period of one month is allowed following the end of the base period to computate new bases. Every producer (except those who have been on the market less than 3 months) receives a new base on February 1 computed as the average of daily deliveries during the base forming months, or 80 percent of average daily deliveries in 3 months.

It was proposed that bases in use on the effective date of the order be applicable, subject to the approval of the market administrator, until the next February 1. However, the record indicates that there are some 2,000 producers who would have no base. It was proposed that the market administrator collect data on deliveries of these producers for the previous base forming months, or the first 3 months of delivery, and compute bases as if the order had been in effect during the base forming months of the previous year. Aside from the difficulties of collecting the data and making the computations in the brief period allowed, and the probable lack of some necessary records, which make the proposal impractical if not impossible to carry out, the proposal, in effect, would make certain provisions of the order retroactive to periods several months before the order would become effective. The last objection also applies to requiring payments on bases already established previous to the effective date of the order.

It is provided that all milk be paid for at a uniform price until bases have been established by deliveries during the first base period after the order becomes effective. This, of course, would not prevent a cooperative from re-pooling the returns for milk of its members and making payments on such base and excess plan as it may elect.

Rules have been provided for the handling of bases under certain circumstances. It is provided that any producer who fails to deliver milk to a handler for 45 consecutive days shall lose his base.

(c) *Producer butterfat differential.* Payments to producers must be adjusted for butterfat content. The proposed butterfat differential, based on the market price of 92-score butter at Chicago, has been in use in the market since 1941. This differential appears to have resulted in a supply of producer milk of satisfactory butterfat test for the needs of the market, and it is recommended as a provision of the order. Order prices are set for 3.5 percent milk as prices have always been announced for milk of this test in the market, and the basic test of 3. 5 percent apparently requires a minimum of adjustment to arrive at prices for actual tests of producer milk.

(8) *Administrative provisions* — (a) *Administrative assessments.* The act provides that the cost of administering a milk marketing order shall be financed by assessments on handlers subject to the order. An assessment of 2 cents per hundredweight of milk received from producers was proposed for the purpose. Although a considerable volume of cream from sources other than producers is received, testimony indicates that a fair apportionment of the administrative costs among handlers may be arrived at by basing the assessment on receipts of producer milk only. Normally, little or no other source milk is received as milk at handler plants. Should the rate of 2 cents per hundredweight prove more than adequate to cover costs of administering the order, it is provided that the Secretary may prescribe a lesser amount.

(b) *Marketing services.* To verify payments to producers at required rates, it is necessary to determine that butterfat tests and weights are accurate. To promote orderly marketing and encourage the production of an adequate supply of milk of satisfactory quality, it is necessary to furnish information regarding the market to individual producers. The cost of these market services should be paid by the producers who receive the benefits. Cooperative associations may be performing these services for members. It is provided, therefore, that in making payments to producers who are members of cooperatives determined by the Secretary to be performing such services, handlers shall deduct and pay to the cooperative such deductions as are authorized by the members of the cooperative. In the case of producers who are not receiving such services from their cooperative, the service should be performed by the market administrator with funds provided by a deduction from payments to such producers. It was proposed that a deduction of 5 cents per hundredweight be provided for this purpose. No testimony opposed such a deduction or indicated that a different rate should be provided.

Data on costs of furnishing these services to producers not serviced by cooperatives indicate that such costs would be relatively high. These producers deliver milk to 89 plants which are scattered over a wide area. It was estimated that butterfat check-testing costs under these conditions would be over 60 cents per test. It is provided that a deduction of 5 cents per hundredweight be made from payments to producers not receiving market services from a cooperative of which they are members and paid to the market administrator to be used for performing such services, and that this rate of 5 cents may be lowered by the Secretary if experience proves a lesser amount to be sufficient.

(c) *Other administrative provisions.* The other provisions cover administrative procedures necessary to carry out the pricing and payment requirements of the order, and for the liquidation of accounts in the event of suspension or termination of the order. Appointment of a market administrator is provided for and his powers and duties are prescribed. The computations to be made by the market administrator in determining class prices and the uniform and base price are set forth. A producer-equalization account is provided and the method of determining payments due to and from this account outlined so that each handler's payments to or receipts from this account, together with his payments to producers or cooperatives for milk will equal the value of his producer milk at the class prices. Handlers are required to permit verification by audit of all utilization of milk and milk products. Handlers are required to preserve all necessary records to show receipts, utilization and payments for a period of three years. This is considered long enough to allow for all necessary verification and at the same time not burden handlers with an unreasonable volume of old records. Records involved in any litigation, however, must be retained until released by the market administrator.

The termination of any obligation of a handler regarding any payment required by the order or of the market administrator to pay any handler is provided at the end of two years. Exceptions in the case of handler obligations are made in cases of notification of the obligation by the market administrator, failure or refusal of a handler to submit records, or transactions involving fraud or willful concealment of facts. A definite date for terminating obligations prevents the filing of claims which might extend back many years and involve substantial amounts. The resulting uncertainty could cause serious inequities and endanger the stability of the market. Handlers cannot be forewarned as to contingent liabilities and it is extremely difficult and burdensome for them to make adequate provision therefor by setting up reserves or by taking other precautionary measures. It is concluded that in general a period of two years is a reasonable time in which the market administrator should complete his audits and render billings for money due under the order.

Payments to producers have customarily been made on the 15th of the month following that in which the milk was received. It is considered desirable to continue this practice, as a shorter time is impractical considering the necessary reports and computations to be made. Producers should not be required to wait longer than 15 days when payment can be made within that time. Dates specified for announcement of class prices, submission of handler reports, announcement of uniform prices and equalization fund obligations are so set as to permit payments to producers by the 15th of the following month.

General findings. (a) The proposed marketing agreement and the order and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which effect market supply and demand, for milk in the marketing area and the minimum prices specified in the proposed marketing agreement and the order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(c) The proposed order will regulate the handling of milk in the same manner as, and will be applicable only to per-

sons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Determination of representative period. The month of March 1951 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of a marketing agreement or an order regulating the handling of milk in the Detroit, Michigan, marketing area in the manner set forth in the attached order is approved or favored by producers who during such period were engaged in the production of milk for sale in the marketing area specified in such marketing order.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled "Marketing Agreement Regulating the Handling of Milk in the Detroit, Michigan, Marketing Area," and "Order Regulating the Handling of Milk in the Detroit, Michigan, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order which will be published with this decision.

This decision filed at Washington, D. C., this 6th day of June 1951.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

Order Regulating Handling of Milk in Detroit, Michigan Marketing Area[1]

AUTHORITY: §§ 924.1 to 924.102 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c.

§ 924.0 *Findings and determinations*—(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon a proposed marketing agreement and a proposed order regulating the handling of milk in the Detroit, Michigan, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(4) All milk and milk products, handled by handlers, as defined in this order, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expenses of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expenses, 2 cents per hundredweight or such amount not exceeding 2 cents per hundredweight as the Secretary may prescribe, with respect to all producer milk (including such handler's own production) received during the month.

Order relative to handling. It is therefore ordered that on and after the effective date hereof, the handling of milk in the Detroit, Michigan, marketing area shall be in conformity to and in compliance with the following terms and conditions:

DEFINITIONS

§ 924.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., 601 et seq.).

§ 924.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States, or any other officer or employee of the United States authorized to exercise the powers or to perform the duties of the Secretary of Agriculture.

§ 924.3 *U. S. D. A.* "U. S. D. A." means the United States Department of Agriculture.

§ 924.4 *Person.* "Person" means any individual, partnership, corporation, association, or any other business unit.

§ 924.5 *Detroit, Michigan, marketing area.* "Detroit, Michigan, marketing area," hereinafter referred to as the "marketing area," means all territory, including incorporated municipalities,

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

within the outer boundaries of the townships of Burtchville, Grant, Greenwood, Kenockee, Wales, Clyde, Fort Gratiot, Kimball, Fort Huron, St. Clair, China, East China, Ira, Cottrellville and Clay in St. Clair County, the townships of Chesterfield, Sterling, Clinton, Harrison, Warren, Erin, and Lake in Macomb County, the townships of White Lake, Waterford, Pontiac, Avon, Commerce, West Bloomfield, Bloomfield, Troy, Novi, Farmington, Southfield, and Royal Oak in Oakland County, the townships of Ann Arbor, Superior and Ypsilanti in Washtenaw County, the townships of Ash and Berlin in Monroe County and all of Wayne County, all in the State of Michigan.

§ 924.6 *Handler.* "Handler" means:

(a) A person who operates a plant in which milk is pasteurized or packaged for distribution in the marketing area and from which Class I milk is disposed of during the month on a route(s) in the marketing area;

(b) A person who operates a plant other than one described in paragraph (a) of this section which is approved by the Department of Health of the City of Detroit, Ann Arbor, Pontiac or Port Huron for the handling of milk for consumption as Class I milk in the marketing area, except such a plant from which less than 10 percent of its dairy farm supply of milk is moved to a plant described in paragraph (a) of this section in each of the months of November and December of each year after 1950.

§ 924.7 *Producer.* "Producer" means a dairy farmer who produces milk which is received directly from the farm at a plant described in § 924.6 (except such plant as described in § 924.101) or is diverted for a handler's account from such a plant to a plant not described in § 924.6.

§ 924.8 *Producer-handler.* "Producer-handler" means a person who is a handler and who produces milk, but receives no milk from other producers or from a cooperative association.

§ 924.9 *Producer milk.* "Producer milk" means milk delivered by one or more producers.

§ 924.10 *Other source milk.* "Other source milk" means all skim milk and butterfat received by a handler in any form, other than that contained in producer milk.

§ 924.11 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers, duly organized as such under the laws of any State which the Secretary determines:

(a) To be qualified under the standards set forth in the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act;"

(b) To have full authority in the sale of milk of its members; and

(c) To be engaged in making collective sales or marketing milk or its products for its members.

§ 924.12 *Base.* "Base" means a quantity of milk, expressed in pounds per day, determined for each producer as provided in § 924.70.

§ 924.13 *Base milk.* "Base milk" means milk delivered by a producer each month which is not in excess of his base multiplied by the number of days on which milk is delivered during the month, and all milk delivered by a producer prior to February 1, 1952.

§ 924.14 *Excess milk.* "Excess milk" means milk delivered by a producer each month in excess of his base milk.

§ 924.15 *Route.* "Route" means a delivery (other than to a handler) including a sale from a store of a Class I product to a wholesale or retail stop(s).

MARKET ADMINISTRATOR

§ 924.20 *Designation.* The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal by, the Secretary.

§ 924.21 *Powers.* The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions;

(d) To recommend amendments to the Secretary.

§ 924.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay, out of the funds provided by § 924.86:

(1) The cost of his bond and of the bonds of his employees,

(2) His own compensation, and

(3) All other expenses, except those incurred under § 924.87, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided in this part, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, within 10 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to §§ 924.30 and 924.31, or (2) payments pursuant to §§ 924.80 and 924.84.

(g) Calculate a base for each producer in accordance with § 924.70 and advise the producer and the handler receiving the milk of such base;

(h) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(i) Audit records of all handlers to verify the reports and payments required pursuant to the provisions of this part, and

(j) Publicly announce the prices determined for each month as follows:

(1) On or before the 5th day of each month, the minimum class prices for the preceding month computed pursuant to § 924.51 and 924.52, and the handler butterfat differential computed pursuant to § 924.53, and

(2) On or before the 11th day of each month the uniform price, the price for base milk and the price for excess milk for the preceding month, computed pursuant to §§ 924.62, 924.63, and 924.64, and the producer butterfat differential computed pursuant to § 924.82.

REPORTS, RECORDS, AND FACILITIES

§ 924.30 *Monthly reports of receipts and utilization.* On or before the 5th working day of each month, each handler shall report to the market administrator for the preceding month, in the detail and on forms prescribed by the market administrator, the following with respect to (a) all producer milk received, (b) all skim milk and butterfat in any form received from other handlers, and (c) all other source milk (except any nonfluid milk product which is disposed of in the same form as received) received at a plant(s) described in § 924.6:

(1) The quantities of butterfat and skim milk contained in such receipts, and their sources;

(2) The utilization or disposition of such receipts; and

(3) Such other information with respect to such receipts and their utilization or disposition as the market administrator may prescribe.

§ 924.31 *Other reports.* (a) Each producer-handler and each handler described in § 924.101 shall make reports at such time and in such manner as the market administrator may request.

(b) On or before the 20th day of each month each handler who received milk from producers shall report his producer payroll for the preceding month which shall show:

(1) The pounds of base milk and pounds of excess milk received from each producer, and the percentage of butterfat contained therein;

(2) The amount and date of payment to each producer (or to a cooperative association); and

(3) The nature and amount of each deduction or charge involved in the pay-

ments referred to in subparagraph (2) of this paragraph.

§ 924.32 *Records and facilities.* Each handler shall maintain and make available to the market administrator during the usual hours of business, such accounts and records of all of his operations and such facilities as are necessary to verify reports, or to ascertain the correct information with respect to (a) the receipts and utilization or disposition of all skim milk and butterfat received, including all milk products received and disposed of in the same form; (b) the weights and tests for butterfat, skim milk and other contents of all milk and milk products handled; and (c) payments to producers and cooperative associations.

§ 924.33 *Retention of records.* All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided,* That, if within such three-year period, the market administrator notifies a handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records until further written notification from the market administrator. The market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 924.40 *Skim milk and butterfat to be classified.* All skim milk and butterfat received at a handler plant (a) in milk from producers or from a cooperative association (except as provided in § 924.43 (c)), (b) in any form from other handlers and (c) in other source milk required to be reported pursuant to § 924.30 shall be classified (separately as skim milk and butterfat) in the classes set forth in § 924.41.

§ 924.41 *Classes of utilization.* Subject to the conditions set forth in §§ 924.42 and 924.43 the classes of utilization shall be:

(a) Class I utilization shall be all skim milk and butterfat (1) disposed of for consumption in fluid form as milk, flavored milk, skim milk or buttermilk; and (2) not accounted for as Class II utilization.

(b) Class II utilization shall be all skim milk and butterfat (1) disposed of for fluid consumption as sterilized flavored milk drings or sweet or sour cream; or (2) used to produce ice cream or ice cream mix, cheese (including cottage cheese), dried whole milk, nonfat dry milk solids, evaporated or condensed whole or skim milk, sweetened or unsweetened disposed of in bulk or in hermetically sealed cans, butter, or livestock feed, or dumped; or (3) in shrinkage of producer milk up to 2 percent of receipts from producers; or (4) in shrinkage of other source milk.

§ 924.42 *Shrinkage.* (a) If producer milk is utilized in conjunction with other source milk, the shrinkage shall be allocated pro rata between the receipts of skim milk and butterfat in producer milk and other source milk.

(b) Producer milk transferred by a handler to another handler without first having been received for the purpose of weighing and testing in the transferrer handler's plant shall be included in the receipts at the plant of the transferee handler for the purpose of computing his shrinkage and shall be excluded at the plant of the transferrer handler in computing his shrinkage.

(c) Producer milk received at a plant from which a route is not operated in the marketing area and transferred in bulk from such plant to a plant from which a route is operated in the marketing area shall be subtracted from the producer milk receipts at the first plant and added to the producer milk receipts at the second plant in computing shrinkage.

§ 924.43 *Transfers.* (a) Skim milk and butterfat disposed of by a handler to another handler (except as provided in paragraph (c) of this section, other than a handler described in § 924.101, in the form of milk or skim milk shall be Class I utilization, unless Class II utilization is indicated by both handlers in their reports submitted pursuant to § 924.30: *Provided,* That in no event shall the amount so classified in Class II be greater than the amount of producer milk used in such class by the transferee handler after allocating other source milk in his plant in series beginning with the lowest priced utilization.

(b) Skim milk and butterfat moved in the form of milk or skim milk by a handler to a person not a handler or to a handler described in § 924.101 shall be Class I utilization unless all of the following conditions are met:

(1) Class II utilization is indicated by the handler in his report submitted pursuant to § 924.30, and a statement certifying to such Class II utilization is received by the market administrator from the operator of the plant to which such milk or skim milk is moved not later than the last day of the month following the month of such movement.

(2) The operator of such plant had actually used in the month of such movement an equivalent amount of skim milk and butterfat in Class II, or moved such amount to another plant not operated by a handler which meets the requirements of subparagraph (3) of this paragraph and utilized in the month an equivalent amount of skim milk and butterfat in Class II.

(3) The operator of the transferee plant maintains books and records which are made available if requested by the market administrator and which are adequate for the verification of such Class II utilization.

(c) Producer milk transferred in bulk from a plant operated by a cooperative association from which no milk is disposed of on a route(s) in the marketing area to a plant as described in § 924.6 (a), except a plant as described in § 924.101, shall be deducted before classification of producer milk at the plant of the transferor cooperative and shall be included in producer milk classified at the plant of the transferee handler.

§ 924.44 *Responsibility of handlers and reclassification.* All skim milk and butterfat shall be classified as Class I utilization unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise.

§ 924.45 *Computation of skim milk and butterfat in each class.* For each month the market administrator shall correct for mathematical and obvious errors the monthly report submitted by each handler and compute the total pounds of skim milk and butterfat, respectively, in Class I and Class II utilization for such handler.

§ 924.46 *Allocation of butterfat classified.* The pounds of butterfat remaining after making the following computations shall be the pounds in each class allocated to milk received from producers.

(a) Subtract from the total pounds of butterfat in Class II utilization, the pounds of butterfat shrinkage allowed pursuant to § 924.41 (c) (3);

(b) Subtract from the pounds of butterfat remaining in each class, in series beginning with the lowest-priced utilization, the pounds of butterfat in other source milk;

(c) Subtract from the remaining pounds of butterfat in each class, the pounds of butterfat received from other handlers (except from a cooperative as set forth in § 924.43 (c)) in such classes pursuant to § 924.43 (a); and

(d) Add to the remaining pounds of butterfat in Class II utilization the pounds subtracted pursuant to paragraph (a) of this section;

(e) If the remaining pounds of butterfat in all classes exceed the pounds of butterfat in milk received from producers, subtract such excess from the remaining pounds of butterfat in each class in series, beginning with the lowest-priced utilization.

§ 924.47 *Allocation of skim milk classified.* Allocate the pounds of skim milk in each class to milk received from producers in a manner similar to that prescribed for butterfat in § 924.46.

MINIMUM PRICES

§ 924.50 *Basic formula price.* The basic formula price to be used in determining the price per hundredweight of Class I utilization shall be the highest of the prices computed pursuant to paragraphs (a), (b), (c), and (d) of this section.

(a) The average of the basic or field prices per hundredweight reported to have been paid, or to be paid, for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the U. S. D. A.

Present Operator and Location

Borden Co., Mount Pleasant, Mich.
Carnation Co., Sparta, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopervillle, Mich.
Borden Co., Greenville, Wis.
Borden Co., Black Creek, Wis.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Chilton, Wis.
Carnation Co., Berlin, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Jefferson, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values computed pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score bulk creamery butter per pound at Chicago as reported by the U. S. D. A. during the month; subtract 3 cents, add 20 percent thereof and multiply by 3.5.

(2) From the simple average, as computed by the market administrator, of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the U. S. D. A., deduct 5.5 cents and then multiply by 8.2.

(c) The price per hundredweight resulting from the following formula:

(1) Multiply by 6 the simple average as computed by the market administrator of the daily average wholesale selling prices per pound of Grade A (92-score) bulk creamery butter (using the midpoint of any price range as one price) at Chicago as reported by the U. S. D. A. for the month;

(2) Add an amount equal to 2.4 times the simple average as published by the U. S. D. A. of prices per pound of "Cheddars" on the Wisconsin Cheese Exchange at Plymouth, Wisconsin, on the trading days that fall within the month.

(3) Divide by 7, add 30 percent thereof, and then multiply by 3.5.

(d) The average of the prices per hundredweight reported to have been paid, or to be paid, for milk of 3.5 percent butterfat content received from farmers during the month at the following plants for which prices have been reported to the market administrator:

Present Operator and Location

Kraft Cheese Co., Clare, Mich.
Fairmont Foods Co., Bad Axe, Mich.
Carnation Milk Co., Sheridan, Mich.
Grand Ledge Milk Co., Grand Ledge, Mich.
Pet Milk Co., Hudson, Mich.

§ 924.51 *Class I milk price.* (a) Except as provided in paragraph (b) of this section, the minimum price per hundredweight to be paid by each handler, f. o. b. his plant as described in § 924.6 for milk of 3.5 percent butterfat content received from producers or from cooperative associations, during the month, which is classified as Class I utilization shall be the basic formula price plus $1.35.

(b) Beginning in the third month after this order becomes effective, the percentage which total receipts of producer milk by all handlers during the next two preceding months is of total Class I utilization of all handlers during such period shall be computed each month by the market administrator, and for the following month the Class I price shall be decreased 15 cents if such percentage is 7.5 percentage points or more above the average of the percentages for the corresponding months in the following schedule and increased 15 cents if such percentage is 7.5 percentage points or more below the average of the percentages for the corresponding months in such schedule and the Class I price shall be decreased or increased an additional 15 cents for each additional full 5 percentage points which such ratio of producer milk receipts to Class I utilization is above or below such average percentage: *Provided,* That when the price has been so decreased or increased it shall not be next increased or decreased, respectively, in the following month unless such percentage is ½ percentage point higher or lower, as the case may be, than the percentage at which such price change would otherwise be made.

Month	Percentages	Month	Percentages
January	122.5	July	149.8
February	126.5	August	145.5
March	134.1	September	140.6
April	144.3	October	131.0
May	159.3	November	123.4
June	167.5	December	125.9

§ 924.52 *Class II milk price.* The minimum price per hundredweight to be paid by each handler, f. o. b. his plant as described in § 924.6 for milk of 3.5 percent butterfat content received from producers or from a cooperative association, during the month, which is classified as Class II utilization, shall be the higher of the prices as computed by the market administrator pursuant to paragraphs (a) and (b) of this section:

(a) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) Multiply the average price per pound of butter as described in paragraph (b) (1) of § 924.50 by 1.2 and then by 3.5.

(2) From the simple average of the weighted averages of carlot prices per pound of nonfat dry milk solids, spray and roller process, respectively, in barrels for human consumption f. o. b. manufacturing plants in the Chicago area as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the U. S. D. A., subtract 5.5 cents and then multiply by 8.2.

(b) The price per hundredweight as described in § 924.50 (d).

§ 924.53 *Handler butterfat differential.* There shall be added to or subtracted from, as the case may be, the prices of milk for each class as computed pursuant to §§ 924.51 and 924.52, for each one-tenth of one percent variation in the average butterfat test of the milk in each class above or below 3.5 percent the amounts determined as follows:

(a) *Class I milk.* Add 2 cents to the producer butterfat differential determined pursuant to § 924.82.

(b) *Class II milk.* Divide the amount computed pursuant to § 924.52 (a) (1) by the price computed pursuant to § 924.52 (a), multiply the price determined pursuant to § 924.52 (b) by the resulting percentage and then divide by 35 and round off to the nearest one tenth cent.

DETERMINATION OF PRICE TO PRODUCERS

§ 924.60 *Computation of value of milk for each handler.* (a) Subject to paragraph (c) of this section, the value of producer milk received during the month by each handler shall be a sum of money computed by the market administrator by multiplying by the applicable class price adjusted pursuant to § 924.53 the total combined hundredweight of skim milk and butterfat received in producer milk allocated to each class pursuant to §§ 924.46 and 924.47, adding together the resulting amounts, and if such handler has a utilization greater than has been accounted for as received from all sources, add an amount computed by multiplying any such excess utilization classified pursuant to § 924.46 (c) and § 924.47 by the applicable class prices.

(b) Each handler who has other source milk allocated to Class I pursuant to § 924.46 and § 924.47 shall pay to the producer equalization fund each month an amount computed by multiplying the hundredweight of milk so allocated by the difference between the Class I and Class II prices for the month adjusted by the butterfat differentials provided in § 924.53 to the butterfat test of such other source milk.

(c) A handler who receives milk from producers (1) at a plant located outside the marketing area and more than 34 miles by shortest highway distance from the Detroit City Hall and from which no milk is disposed of on a route in the marketing area or (2) at a plant which is located outside the marketing area and more than 34 miles by shortest highway distance from the boundary of the marketing area and from which milk is disposed of on a route in the marketing area shall receive a credit with respect to producer milk disposed of as Class I utilization other than to a handler, and with respect to producer milk moved in bulk from such plant to a plant from which milk is disposed of on a route in the marketing area, computed on the weight of milk so moved which is not in excess of the amount of such milk classified as Class I utilization in the plant to which such milk is moved (pro rating to such milk the utilization of all producer milk received at such plant) at the rate for

the applicable zone as determined by the market administrator, as follows:

Zone No.	Shortest road distance from Detroit City Hall	Rate per hundredweight
1	More than 34 miles but not more than 49 miles	$0.14
2	More than 49 miles but not more than 57 miles	.15
3	More than 57 miles but not more than 65 miles	.16
4	More than 65 miles but not more than 73 miles	.17
5	More than 73 miles but not more than 81 miles	.18
6	More than 81 miles but not more than 89 miles	.19
7	More than 89 miles but not more than 97 miles	.20
8	More than 97 miles	.21

§ 924.61 *Computation of the 3.5 percent value of all producer milk.* For each month, the market administrator shall compute the 3.5 percent value of producer milk by:

(a) Combining into one total the individual values of milk of all handlers, computed pursuant to paragraph (a) of § 924.60;

(b) Adding the aggregate value of all allowable producer location adjustments computed at the rates for the appropriate zones as provided in § 924.81;

(c) Adding or subtracting any charges or credits pursuant to § 924.90 (a) or (b);

(d) Adding, if the weighted average butterfat test of all producer milk represented in paragraph (a) of this section is less than 3.5 percent, or subtracting if the weighted average butterfat test of such milk is more than 3.5 percent, an amount computed by multiplying the total pounds of butterfat represented by the difference of such average butterfat test from 3.5 percent by the butterfat differential provided in § 924.82 multiplied by 10;

(e) Adding not less than one-half of the unobligated balance in the producer-equalization fund.

§ 924.62 *Uniform price.* For each month the uniform price shall be computed by:

(a) Dividing the amount computed pursuant to § 924.61 by the hundredweight of milk received from producers represented by the values included in § 937.61 (a); and

(b) Subtracting not less than 4 cents or more than 5 cents.

§ 924.63 *Excess milk price.* For each month the excess milk price shall be determined by adding 17 cents to the Class II price determined pursuant to § 924.52.

§ 924.64 *Computation of uniform price for base milk.* (a) Multiply the total pounds of excess milk and milk to be paid for at the excess milk price pursuant to § 924.70 (b) for the month by the excess milk price.

(b) Multiply the total amount of milk to be paid for at the uniform price pursuant to § 924.70 (b) by the uniform price for the month.

(c) Subtract the total values arrived at in paragraphs (a) and (b) of this section from the total 3.5 percent value of all producer milk arrived at in § 924.61;

(d) Divide the resultant value by the total hundredweight of base milk and milk to be paid for at the base price pursuant to § 924.70 (b); and

(e) Subtract not less than four cents nor more than five cents. The resultant hundredweight price shall be the uniform price of base milk of 3.5 percent butterfat content received at plants described in § 924.6.

§ 924.65 *Notification.* On or before the 11th day after the end of each month the market administrator shall notify each handler of:

(a) The amounts and values of his milk in each class and the total of such amounts and values;

(b) The base of any producer delivering milk to the handler which was not used in making payments for the previous month;

(c) The amount due such handler from the producer-equalization fund or the amount to be paid by such handler to the producer-equalization fund, as the case may be; and

(d) The totals of the minimum amounts to be paid by such handler pursuant to §§ 924.80, 924.84, 924.86, 924.87, and 924.90.

BASE RULES

§ 924.70 *Determination of base.* (a) A producer who delivered milk on at least 122 days during the period August 1 through December 31, inclusive, of any year after 1950 shall have a base computed by the market administrator to be applicable, subject to § 924.72, for the 12 months' period beginning the following February 1, equal to his daily average milk deliveries from the date on which milk was first delivered in the period to the end of such August 1–December 31 period: *Provided,* That a producer who had a base previous to August 1 and whose average of daily deliveries for the August 1–December 31 period is less than such base shall have a base computed by subtracting from his previous base any amount by which 90 percent of his previous base exceeds such average of daily deliveries.

(b) A producer who has no base shall be paid during the first three full months he is a producer the uniform price in each of the months of August through December and in other months, in the price applicable to base milk for the following percentages of his milk deliveries and the price applicable to excess milk for the remainder of his deliveries: 75 percent for January and February, 70 percent for March, 60 percent for April and July and 40 percent for May and June. At the conclusion of the first three full months' delivery, a base shall be established in the following manner: Multiply the total deliveries in the months of August through December by .8, in January and February by .75, in March by .7, in April and July by .6, and in May and June by .4. Add the amounts so computed and divide by the number of days in which milk was delivered during the three months.

(c) From the effective date of this order until bases are established pursuant to this section, producers and cooperative associations shall be paid the uniform price for all milk delivered.

§ 924.71 *Application of bases.* (a) A base shall apply to deliveries of milk by the producer for whose account milk was delivered during the base period, and upon death may be transferred to a member or members of the deceased producer's immediate family.

(b) Bases may be transferred under the following conditions upon written notice by the holder of the base to the market administrator on or before the last day of the month that such base is to be transferred:

(1) Upon retirement or entry into military service of a producer, the entire base may be transferred to a member or members of his immediate family.

(2) Bases may be held jointly and if such joint holding is terminated the base may be transferred as specified in writing to the market administrator by the joint holders to a person or persons who maintain a dairy herd or herds on the same farm.

(c) A producer who does not deliver milk to a handler for 45 consecutive days shall forfeit his base.

§ 924.72 *Establishing a new base.* A producer with a base, by notifying the market administrator that he relinquishes such base, may establish a new base pursuant to § 924.70 (b) once during the 12-month period ending December 31, the period for establishing a new base to begin the first day of the month in which such notification is received by the market administrator.

PAYMENT FOR MILK

§ 924.80 *Time and method of payment.* On or before the 15th day after the end of each month each handler who received milk from producers or from a cooperative association shall pay for milk received during such month to each producer, or to a cooperative association for milk received from such association or from producers for the account of such association, the uniform price as provided in § 924.70 (b) and (c) or the base price for base milk and for milk to be paid for at the base price pursuant to § 924.70 (b) and milk transferred pursuant to § 924.43 (c), and the excess price for excess milk and milk to be paid for at the excess price pursuant to § 924.70 (b), adjusted by the butterfat differential pursuant to § 924.82 and any location adjustment pursuant to § 924.81: *Provided,* That if by such date such handler has not received full payment for such month pursuant to § 924.85, he shall not be deemed to be in violation of this section if he reduces uniformly to all producers and cooperative associations his payments per hundredweight by a total amount not in excess of the reduction in payments due from the market administrator; however, the handler shall make such balance of payment uniformly to those producers to whom it is due on or before the date for making payments pursuant to this section next following that on which such balance of payment is received from the market administrator.

§ 924.81 *Location adjustments to producers.* In making payments to producers or cooperative associations pursuant to § 924.80 a handler may deduct with respect to all milk received by him from producers at a plant located outside the marketing area and more than 34 miles by shortest highway distance from the Detroit City Hall, as determined by the market administrator, and if milk is distributed from such plant on a route(s) in the marketing area, also located more than 34 miles by the shortest highway distance from the boundary of the marketing area, the amount per hundredweight applicable to the zone in which such plant is located as set forth in § 924.60 (c).

§ 924.82 *Producer butterfat differential.* In making payments pursuant to § 924.80, the base price and excess price or the uniform price shall be increased or decreased for each one-tenth of one percent of butterfat content in the milk received from each producer or a cooperative association above or below 3.5 percent, as the case may be, by a butterfat differential of 7 cents when the average price of butter as described in § 924.50 (b) (1) is 60 cents, which differential shall be increased one-half cent for each full 5 cents variance in such price of butter above 60 cents and decreased one-half cent for each full 5-cent variance in such price of butter below 64.99 cents.

§ 924.83 *Producer equalization fund.* The market administrator shall establish and maintain a separate fund, known as the "producer-equalization fund" into which he shall deposit all payments received pursuant to § 924.84 and out of which he shall make all payments pursuant to § 924.85.

§ 924.84 *Payments to the producer-equalization fund.* On or before the 13th day after the end of each month, each handler

(a) whose value of milk is required to be computed pursuant to § 924.60 (a) shall pay to the market administrator any amount by which such value for such month (in the case of a cooperative association which is a handler plus the value of any milk transferred as provided in § 924.43 (c) at the price for base milk for the month adjusted pursuant to § 924.82) is greater than the minimum amount required to be paid by him pursuant to § 924.80, and

(b) who is required to make payment pursuant to § 924.60 (b) shall pay such amount to the market administrator.

§ 924.85 *Payment out of the producer-equalization fund.* On or before the 14th day after the end of each month, the market administrator shall pay to each handler any amount by which the value of milk for such handler for the month pursuant to § 924.60 (a) (in the case of a cooperative association which is a handler plus the value of any milk transferred as provided in § 924.43 (c) at the price for base milk for the month adjusted pursuant to § 924.82) is less than the total minimum amount required to be paid by him pursuant to § 924.80, less any unpaid obligations of such handler to the market administrator pursuant to § 924.84: *Provided,* That if the balance in the producer-equalization fund is insufficient to make all payments to all such handlers pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds become available.

§ 924.86 *Expense of administration.* As his pro rata share of the expense of administration of this part, each handler shall pay to the market administrator on or before the 13th day after the end of each month two cents per hundredweight, or such amount not exceeding two cents per hundredweight as the Secretary may prescribe, with respect to all receipts within the month of milk from producers, including milk of such handler's own production.

§ 924.87 *Marketing services.* (a) Except as set forth in paragraph (b) of this section, each handler, in making payments pursuant to § 924.80 for milk received from each producer (including milk of such handler's own production) at a plant not operated by a cooperative association of which such producer is a member, shall deduct five cents per hundredweight, or such amount not exceeding five cents per hundredweight as the Secretary may prescribe, and, on or before the 13th day after the end of each month, shall pay such deductions to the market administrator. Such moneys shall be used by the market administrator to verify weights, samples, and tests of milk received from producers and to provide producers with market information, such services to be performed by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of producers whose milk is received at a plant not operated by a cooperative association of which such producers are members, and for whom a cooperative association is actually performing the services described in paragraph (a) of this section, as determined by the Secretary, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions from payments required pursuant to § 924.80 as may be authorized by such producers, and pay such deductions on or before the 13th day after the end of the month to the cooperative association rendering such services of which such producers are members.

ADJUSTMENT OF ACCOUNTS

§ 924.90 *Payments.* Whenever audit by the market administrator of any handler's reports, books, records, or accounts discloses adjustments to be made, for any reason, which result in moneys due:

(a) To the market administrator from such handler,

(b) To such handler from the market administrator, or

(c) To any producer or cooperative association from such handler,

the market administrator shall promptly notify such handler of any such amount due; and payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred, following the 5th day after such notice.

§ 924.91 *Overdue accounts.* Any unpaid obligation of a handler or of the market administrator pursuant to §§ 924.84, 924.85, 924.86, 924.87, and 924.90 shall be increased one-half of one percent on the first day of the month next following the due date of such obligation and on the first day of each month thereafter until such obligation is paid.

APPLICATION OF PROVISIONS

§ 924.100 *Milk caused to be delivered by cooperative associations.* Milk referred to in this part as received from producers by a handler shall include milk of producers caused to be delivered to such handler by a cooperative association.

§ 924.101 *Handler exemption.* A handler who operates a plant located outside the marketing area from which class I milk is disposed of on a route(s) within the marketing area but from which the disposition of Class I milk on all routes operating wholly or partly within the marketing area averages less than 600 pounds per day for the month, and from which no milk is transferred to other handlers, or a handler whom the Secretary finds is subject, during the delivery period, to another Federal order, and whose disposition of Class I milk in the other Federal marketing area exceeds that in the Detroit marketing area, shall be exempted for such month from all provisions of this part except §§ 924.31, 924.32 and 924.33.

§ 924.102 *Producer-handler exemption.* A producer-handler shall be exempt from all provisions of this part except §§ 924.31, 924.32, 924.33 and 924.60 (b).

TERMINATION OF OBLIGATIONS

§ 924.110 *Termination of obligations.* (a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the month during which the market administrator receives the handler's report of utilization of the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to a cooperative association, the name of such producers or association, or, if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books or records required by this order to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this

section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or wilful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 924.120 *Effective time.* The provisions of this part, or of any amendment hereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 924.121 *When suspended or terminated.* The secretary shall, whenever he finds that this part, or any provision thereof, obstructs or does not tend to effectuate the declared policy of the act, terminate or suspend the operation of this part or any such provision thereof.

§ 924.122 *Continuing obligations.* If, upon the suspension or termination of any of all provisions of this part, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 924.123 *Liquidation.* Under the suspension or termination of the provisions of this part, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers, in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 924.130 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 924.131 *Separability of provisions.* If any provision of this part, or its application to any person or circumstances, is held invalid the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

ORDER OF SECRETARY DIRECTING THAT REFERENDUM BE CONDUCTED AMONG PRODUCERS SUPPLYING MILK TO DETROIT, MICHIGAN, MARKETING AREA; AND DESIGNATION OF AN AGENT TO CONDUCT SUCH REFERENDUM

Pursuant to section 8c (19) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 608c (19)), it is hereby directed that a referendum be conducted among the producers (as defined in the order regulating the handling of milk in the Detroit, Michigan, marketing area) who, during the month of March 1951 were engaged in the production of milk for sale in the marketing area specified in the aforesaid order to determine whether such producers favor the issuance of the order which is a part of the decision of the Secretary of Agriculture filed simultaneously herewith.

Hobart E. Crone is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders as published in the FEDERAL REGISTER on August 10, 1950 (15 F. R. 5177), such referendum to be completed on or before the 25th day from the date this referendum order is issued.

Done at Washington, D. C., this 6th day of June 1951.

[F. R. Doc. 51-6728; Filed, June 8, 1951; 8:54 a. m.]

[7 CFR, Part 928]

[Docket No. AO 227 RO1]

HANDLING OF MILK IN NEOSHO VALLEY KANSAS-MISSOURI) MARKETING AREA

NOTICE OF REOPENING OF HEARING ON PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER; CORRECTION

In F. R. Document 51-6300, appearing in the FEDERAL REGISTER issue of June 1, 1951, add "Wilson" between the words "of" and "Woodson" in column 3, paragraph 1, line 5 on page 5136, so that the said paragraph, as corrected, reads as follows:

§ 928.6 *Neosho Valley marketing area.* "Neosho Valley marketing area", hereinafter called the "marketing area", means all of the territory within the counties of Wilson, Woodson, Montgomery, Allen, Neosho, Labette, Bourbon, Crawford, and Cherokee, all in the State of Kansas.

Done at Washington, D. C., this 7th day of June 1951.

[SEAL] CHARLES F. BRANNAN, *Secretary of Agriculture.*

[F. R. Doc. 51-6787; Filed, June 8, 1951; 8:52 a. m.]

[7 CFR, Part 971]

[Docket No. AO-175-A8]

HANDLING OF MILK IN DAYTON-SPRINGFIELD, OHIO, MARKETING AREA

NOTICE OF HEARING ON PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT, AND TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held at the Hotel Miami, Second and Ludlow Streets, Dayton, Ohio, beginning at 10:00 a. m., e. s. t., June 13, 1951, for the purpose of receiving evidence with respect to proposed amendments hereinafter set forth, or appropriate modifications thereof, to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Dayton-Springfield, Ohio, marketing area.

These proposed amendments have not received the approval of the Secretary of Agriculture.

Proposed by Miami Valley Milk Producers Association:

1. Amend § 971.5 (b) (1) by adding thereto the following: *"Provided further,* That if during the preceding months of September, October, November, December, January and February, the total volume of milk received from producers is less than 120 percent of the total Class I and Class II utilization of all handlers during such period, the Class I price for the following months of September, October, November, December, January and February shall be increased 4 (four) cents per hundredweight for each percentage point that such percentage is less than 120 percent."

2. Amend § 971.5 (c) (1) by adding thereto the following: *"Provided further,* That if during the preceding months of September, October, November, December, January and February, the total volume of milk received from producers is less than 120 percent of the total Class I and Class II utilization of all handlers during such period, the Class II price for the following months of September, October, November, December, January and February shall be increased 4 (four) cents per hundredweight for each percentage point that such percentage is less than 120 percent."

3. Amend the proviso in § 971.5 (d) (1) to read as follows: *"Provided,* That the

price per hundredweight of butterfat made into butter shall be computed for all months by multiplying the average price of butter computed pursuant to paragraph (a) (2) (i) of this section by 120, and then subtracting $5.00."

4. Amend § 971.5 (d) (2) to read as follows:

(2) The price per hundredweight of such skim milk shall be computed by dividing the amount computed pursuant to paragraph (a) (3) (ii) of this section by 0.965, and (i) for the months of April, May, June and July, subtracting 20 cents, (ii) for all other months except March, August and September, adding 20 cents.

Proposed by Kenneth L. Rush on behalf of handlers:

5. Delete § 971.5 (d) (2) and substitute the following:

(2) The price per hundredweight of such skim milk shall be computed as follows: Calculate the arithmetical average of the carload per pound prices of roller process nonfat dry milk solids in barrels for human consumption, f. o. b., Wisconsin shipping points for the weeks ending within such month as reported by the Department of Agriculture; deduct 5.5 cents; multiply the result by 8.2; and divide by .965; and (i) for the months of April, May, June and July subtract 20 cents, (ii) for all other months except March, August and September add 20 cents.

Proposed by Miami Valley Milk Producers Association:

6. Amend § 971.4 (a) to include concentrated milk as a Class I product.

7. Amend § 971.4 (d) (iii) to read as follows:

(iii) As Class I milk, Class II milk, Class III milk, Class III butterfat (butter), in that sequence if transferred by a handler to a person other than a handler who distributes milk in fluid form or manufactures milk products: *Provided*, That if the selling handler on or before the 7th day after the end of the month during which the transfer was made furnishes to the market administrator a statement which is signed by the buyer and the seller that such skim milk or butterfat was used as a product covered by Class II milk or Class III milk, such skim milk or butterfat shall be classified in the highest price class use of the receiver, subject to verification by the market administrator.

8. Amend § 971.10 (a) to provide that marketing services deduction shall not exceed 6 cents per hundredweight.

It has been represented that an emergency exists in the market with respect to these proposals. Accordingly, this hearing has been called for the purpose of receiving evidence with relation thereto.

Copies of this notice of hearing, the said order, as amended, and the said marketing agreement may be procured from the Market Administrator, 434 Third National Bank Building, Dayton, Ohio, or from the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected.

Dated: June 6, 1951, at Washington, D. C.

[SEAL] FRANK E. BLOOD,
Acting Assistant Administrator.

[F. R. Doc. 51-6725; Filed, June 8, 1951; 8:53 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Bureau of Customs

[T. D. 52743]

PRODUCTS OF MACAU

MARKING OF COUNTRY OF ORIGIN

JUNE 5, 1951.

Acceptable markings to indicate the name of the country of origin under the marking provisions of the Tariff Act of 1930, as amended, for articles manufactured or produced in Macau, a Portuguese colony in Asia, are as follows: Macau; Macau (Portugal); Macao; or Macao (Portugal).

The entry for the area in question in item 3 of Bulletin of Marking Rulings 3 is hereby superseded.

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

[F. R. Doc. 51-6724; Filed, June 8, 1951; 8:53 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

RESERVOIRS OF REGION 7

PUBLIC USE REGULATIONS

JUNE 4, 1951.

The following regulations supersede those dated April 26, 1949, and published in the FEDERAL REGISTER of May 25, 1949. They have been established to assure safest and fullest possible public use of Bureau of Reclamation reservoirs under the jurisdiction of the Regional Director, Region 7, compatible with the uses and primary purposes for which the reservoirs were constructed. These areas are in part public playgrounds and should be enjoyed to the fullest extent. Adherence to these regulations will help assure that enjoyment.

The Regional Director will issue, prior to the public use season, an annual list of the public use areas to which these regulations apply. This list becomes a part of the Public Use Regulations.

1. *Permits*—(a) *Boating permit.* Any person desiring to place a boat (including all types of floating craft) on any of the reservoirs listed must first obtain a boating permit. These permits may be obtained by contacting any one of the Bureau of Reclamation offices shown on the public use area list as a permit issuing office for the specific reservoir or reservoirs involved. The permittee must have his permit available for inspection at all times while using his boat on any of the reservoirs. Permits shall continue in force until the end of the calendar year during which they are issued, unless revoked for a violation of laws or of the public use regulations. Permits may be transferred with the boat at no additional cost upon sale of the boat, provided notice of that sale is furnished the Bureau of Reclamation at the office of issue. Permits for boats for hire are issued for specific reservoirs only.

PERMIT RATES BY BOAT CLASSES

I. Boats for personal use:
A. Manually operated craft—$1.
B. Sailboats and motorboats with over-all length of 16 feet or less—$2.
C. Sailboats and motorboats with over-all length of more than 16 feet and not more than 26 feet—$4.
D. Sailboats and motorboats with over-all length of more than 26 feet—$6.

II. Boats for hire (including boats operated for fee or profit either as direct charge to a second party or as incident to other services provided to the second party):
A. Manually operated craft—$2.
B. Sailboats and motorboats with over-all length of 16 feet or less—$4.
C. Sailboats and motorboats with over-all length of more than 16 feet and not more than 26 feet—$8.
D. Sailboats and motorboats with over-all length of more than 26 feet—$12.

The Bureau of Reclamation may restrict or prohibit the operation of boats on any of the reservoirs and may also designate the size and class of boats which may be operated thereon as local conditions may require. Otherwise, all types of boats are allowed on the reservoirs, with the exception of what is commonly known as a houseboat.

Manually operated craft are all craft whose movement through the water during the boating year is dependent entirely upon manual propulsion.

Sailboats are craft whose movement through the water at any time during the boating year is dependent upon the use of sails.

Motorboats are craft whose movement through the water at any time during the boating year is dependent upon the use of an inboard or outboard motor or engine. Some boats might be classified as both sailboats and motorboats as defined, but separate differentiation need not be made here since the same permit classes include both types of boats.

Over-all length is the longest distance between the two outer extremities of the boat or any permanent structure attached thereon.

Permission to place boats for hire on a reservoir for one year does not guarantee the permittee the same privilege for the following year or years.

(b) *Dock, pier, boathouse, mooring permit.* No boathouse or landing float, pier, or other docking or mooring device shall be installed without a written permit. The design and location of such a facility is subject to the approval of the Bureau of Reclamation. It is also subject to relocation or removal at the discretion of the Bureau.

(c) *Compliance with Federal and State laws.* The operations of each permittee shall at all times be conducted in accordance with all applicable Federal and State laws and the rules and regulations issued thereunder. Failure of the permittee to abide by any of the terms or conditions of any applicable Federal or State laws, or rules and regulations issued thereunder, shall cause the permit to be subject to immediate termination at the option of the United States.

2. *Safety equipment requirements.* (a) Each manually operated craft, sailboat, or motorboat in use at any time between sunset and sunrise shall carry a lantern or other suitable light visible all around the horizon.

(b) Each manually operated craft, sailboat, or motorboat must be provided with the following:

(1) Paddles or oars.

(2) Efficient life preservers equal in number to the number of persons being carried. Inflated life preservers do not satisfy this requirement.

(3) A ready means of hand bailing or, if this would be impossible or impractical due to the boat's size or construction, adequate bilge pumps.

(c) Metal boats of any type must have sufficient air chambers, tanks, or flotation gear to safely hold up the boat when filled to proper carrying capacity should accident or other emergency necessitate their doing so.

(d) Motorboats with inboard engines must have:

(1) A flame arrester on the carbureter, if the combustion air is taken from below the deck line or from the engine compartment.

(2) A provision for adequate ventilation of the engine compartment.

(3) One of the following types of fire extinguishers or equivalent:

1 quart carbon tetrachloride
or
1¼ gallons foam
or
4 pounds CO_2

(e) Motorboats with outboard engines must have mufflers or silencing devices.

3. *General traffic rules.* (a) When boats are approaching each other headon or so nearly as to endanger collision, it shall be the duty of each to turn to the right to pass the other.

(b) When two boats are crossing so as to involve risk of collision, the boat which has the other on her right side shall keep out of the way of the other boat.

(c) A boat overtaking any other boat shall keep out of the way of the overtaken boat.

(d) The following takes precedence when a meeting occurs between two boats of different classifications: Manually operated craft take precedence over all other craft. Sailboats take precedence over motorboats but must give way to manually operated craft. Motorboats must give way to all other types of craft.

(e) No boat can approach closer than 200 feet to any dam, spillway, outlet works, or power plant, unless duly authorized by the Bureau of Reclamation. Further restrictions may be designated where necessary.

(f) All boats must be operated in such a manner so as not to endanger the lives or property of other persons or inconvenience occupants of other boats.

4. *Safety rules and procedures.* (a) The number of people riding in a boat shall not exceed its proper carrying capacity.

(b) In case of distress, three quickly repeated signals repeated at regular intervals should be used. These signals could be made by calling, whistling, waving a flag or lighted flashlight, or by other means.

(c) All boats used for passenger service must be operated at all times by a competent and experienced operator.

(d) Boats which, in the opinion of the representative of the Bureau of Reclamation, whose opinion shall be final and conclusive, are not properly constructed, operated, or maintained, shall not be permitted to be placed or remain on the waters of the reservoirs.

(e) Small boats shall be securely anchored or tied up when not in use. Boats found floating loose on the reservoir may be taken up, and the permittee shall be liable to the United States for any expense incurred in making the boat secure. Owners thereof shall be liable to the United States for any damage done by their boat to works of the United States. Boats shall not be left in the reservoir proper during the winter months.

5. *Regattas and racing.* Regattas and racing are prohibited unless duly authorized by the Bureau of Reclamation.

6. *Public boat launching and landing.* The Bureau of Reclamation may restrict certain areas, when and where necessary, for the exclusive purpose of public boat launching and landing.

7. *Violation of regulations pertaining to boating.* The permit of any person violating any of the foregoing regulations may be revoked, and such person shall remove his personal property from the reservoir and adjacent lands.

8. *Swimming.* Swimming is permitted at designated areas only.

9. *Camping.* The Bureau of Reclamation may restrict or prohibit camping when and where necessary. Campers shall occupy only those sites designated by the Bureau of Reclamation or its representatives and limitations may be established on the time allowed for camping in any public camping area. Campers shall keep their campsites clean. The digging or levelling of the ground in any campsite without permission is prohibited. Camps must be completely razed and sites cleaned before campers depart from the campsite.

10. *Picnicking.* Picnicking is allowed on the United States lands adjacent to the reservoir except when and where the Bureau of Reclamation finds it necessary to restrict or prohibit such use. Any area used for picnicking must be cleaned after using.

11. *Hunting and fishing.* Hunting and fishing are permitted upon compliance with the laws, rules, and regulations prescribed by the State concerned, but subject to such additional regulations as may be issued by the United States in order to protect the reservoir or other project features or to protect the area as a Fish and Wildlife Service refuge if it has been so established: *Provided, however,* That no hunting will be permitted on any Bureau of Reclamation lands lying within the exterior boundaries of Rocky Mountain National Park.

12. *Firearms.* The carrying of firearms is prohibited on reservoirs or on United States lands adjacent to the reservoirs, except when and where hunting is allowed in compliance with section 11 above.

13. *Cars.* Cars must be confined to roads and parking areas. Roads must not be used for parking where parking areas have been designated.

14. *Airplanes.* Airplanes must not land on or take off from the reservoirs.

15. *Fires.* The Bureau of Reclamation may restrict or prohibit, when and where necessary, the building of fires. Where fires are allowed, there may be built only where they will not damage live trees, shrubs, grass, or other plants. Fires may not be left unattended and must be extinguished before leaving. Only dead trees and brush may be used for fires where firewood has not been furnished. Lighted matches, cigarettes, cigars and ashes should never be thrown on the ground without first being extinguished.

16. *Sanitation.* Refuse, garbage, rubbish, or waste of any kind shall not be placed or thrown in the reservoir waters or on any of the United States lands adjacent to the reservoir, but shall be burned or buried or disposed of at designated points or places assigned for the sanitary disposal thereof. The Bureau of Reclamation may restrict or prohibit the use of water closets, lavatories, drains, sinks, and other devices which discharge into the waters of a reservoir. Where necessary, areas will be designated for the disposal of bilge waters containing oil and grease.

17. *Damage to property.* The destruction, injury, defacement, or removal of public property or vegetation (trees, shrubs, and other plants), rock, or minerals is prohibited.

18. *Construction of facilities and changing reservoir shoreline.* The installation or construction of any facility on the United States lands adjacent to the reservoir or any change in the shoreline of the reservoirs is prohibited unless due authority is given by the Bureau of Reclamation for such installation, construction or change to be made.

19. *Private notices and advertisements.* Private notices and advertisements shall not be posted, distributed, or displayed on the United States lands adjacent to a reservoir except such as the Bureau of Reclamation may deem necessary for the convenience and guidance of the public using the area for recreational purposes.

20. *Establishment of businesses on Bureau of Reclamation lands.* No person, firm, or corporation or their representatives shall engage in or solicit any business on a reservoir or the United States lands adjacent to the reservoir without permission in writing from the Bureau of Reclamation or in accordance with terms of a lease or concession contract with the Bureau of Reclamation.

21. *Concession and other charges to public.* Any concession or other business operating on a reservoir or on United States lands adjacent to a reservoir must post the charges for its services, refreshments, and other items in conspicuous places. All prices shall be within reason and be approved by the Bureau of Reclamation.

22. *Order.* No person who is under the influence of intoxicating liquor or narcotic drugs shall be permitted upon Government lands adjacent to the reservoirs, in boats on the water, or in or upon the waters of the reservoir.

23. *Disorderly conduct.* Persons who render themselves obnoxious by disorderly conduct or by bad behavior will be removed from the Government lands adjacent to the reservoirs or from the waters or from on the waters of the reservoirs.

24. *Waiver of liability.* The main purpose of Reclamation reservoirs is to impound water for irrigation and other regulatory purposes. Accordingly, any person at any time going in or upon the waters thereof or upon any of the structures of lands upon the margin thereof, or upon adjacent lands belonging to the United States, and held in reserve for the use in connection therewith, whether as lessee, contractee, or permittee of the United States, or otherwise, thereby assumes all risks of injury to or death of himself by damage to or destruction of property resulting directly or indirectly, wholly or in part, from said reservoir or appurtenant structures, or their construction, operation, and control by the United States.

BUREAU OF RECLAMATION,
MICHAEL W. STRAUS,
Commissioner.

[F. R. Doc. 51-6669; Filed June 8, 1951; 8:45 a. m.]

SALT RIVER PROJECT, ARIZONA

FIRST FORM RECLAMATION WITHDRAWAL

APRIL 17, 1951.

Pursuant to the authority delegated by Departmental Order No. 2515 of April 7, 1949 (14 F. R. 1937), I hereby withdraw the following described land from public entry, under the first form of withdrawal, as provided by section 3 of the act of June 17, 1902 (32 Stat. 388):

GILA AND SALT RIVER MERIDIAN, ARIZONA

T. 1 N., R. 2 E.,
Sec. 29, S½SW¼NE¼

The above area aggregates 20 acres.

WESLEY R. NELSON,
Assistant Commissioner.

I concur. The records of the Bureau of Land Management will be noted accordingly.

WILLIAM ZIMMERMAN, Jr.,
Associate Director,
Bureau of Land Management.

MAY 22, 1951.

[F. R. Doc. 51-6670; Filed, June 8, 1951; 8:45 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[Docket No. S-23]

LYKES BROS. STEAMSHIP CO., INC.

NOTICE OF HEARING

Application of Lykes Bros. Steamship Co., Inc., for increase in maximum number of subsidized sailings on Line D (Lykes Orient Line), Trade Route No. 22.

Notice is hereby given that a public hearing will be held under section 605 (c) of the Merchant Marine Act, 1936, as amended, in the Department of Commerce Building, Washington, D. C., before Examiner F. J. Horan, on a date hereafter to be announced, upon an application of Lykes Bros. Steamship Co., Inc., for an increase in the maximum number of subsidized sailings on its Line D (Lykes Orient Line), Trade Route 22, from 24 per annum to 48 per annum, with an increase in the maximum number of sailings that shall include ports in the Netherlands East Indies and Straits Settlements (including Malay States) from 12 per annum to 24 per annum.

The purpose of the hearing is to receive evidence relevant to the following: (1) Whether the application is one with respect to a vessel or vessels to be operated on a service, route, or line served by citizens of the United States which would be in addition to the existing service, or services, and, if so, whether the service already provided by vessels of United States registry in such service, route, or line is inadequate, and in the accomplishment of the purposes and policy of the act additional vessels should be operated thereon; (2) whether the application is one with respect to a vessel operated or to be operated in a service, route, or line served by two or more citizens of the United States with vessels of United States registry, and, if so, whether the effect of the subsidy contract would be to give undue advantage or be unduly prejudicial, as between citizens of the United States, in the operation of vessels in competitive services, routes, or lines, and (3) whether it is necessary to enter into such contract in order to provide adequate service by vessels of United States registry.

The hearing will be conducted in accordance with the Board's rules of procedure (12 F. R. 6076).

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) desiring to intervene in this proceeding are requested to notify the Board accordingly on or before June 20, 1951, and should file intervening petitions in accordance with the rules of procedure.

Dated: June 6, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 51-6727; Filed, June 8, 1951; 8:54 a. m.]

[Docket No. M-32]

AMERICAN PRESIDENT LINES, LTD.

NOTICE OF FURTHER HEARING ON APPLICATION TO BAREBOAT CHARTER GOVERNMENT-OWNED, WAR-BUILT, DRY-CARGO REFRIGERATED VESSELS

Notice is hereby given that a further hearing will be held in the above-entitled proceeding on June 15, 1951, at 10:30 a. m. of that day in Room 4821, Department of Commerce Building, Washington, D. C., before the Federal Maritime Board upon the supplemental application of American President Lines, Ltd. (a subsidized operator) to operate under bareboat charter the Government-owned, war-built, dry-cargo refrigerated vessels, the S. S. *Shooting Star* and S. S. *Lightning* in the trans-Pacific trade on such routes and with such itineraries as may be directed by the Military Sea Transportation Service, Department of the Navy, including the port of Adak, Alaska. In the certification and recommendation of the Board dated May 24, 1951, in this proceeding, the Board directed that this proceeding remain open for a reasonable time in the event any party desires to apply for operation of the vessels in a broader trading area.

The purpose of this hearing is to receive further evidence pursuant to section 3, Pub. Law 591, 81st Congress with respect to whether the service for which such vessels are to be operated under bareboat charter is required in the public interest and is not adequately served, and with respect to the availability of privately owned, American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service; and pursuant to section 805 (a), Merchant Marine Act, 1936 (46 U. S. C. 1223 (a)) with respect to whether such supplemental application will result in unfair competition to any person, firm or corporation operating exclusively in the domestic coastwise or intercoastal service or be prejudicial to the objects and policy of the Merchant Marine Act, 1936.

All persons, firms or corporations having an interest in this proceeding may request permission to intervene at the opening of the hearing and will be given an opportunity to be heard.

Interested parties may have oral argument before the Federal Maritime Board immediately after the close of the hearing in lieu of briefs and exceptions,

and the decision of the Board will be final.

Dated: June 6, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 51-6758; Filed, June 8, 1951; 8:55 a. m.]

ECONOMIC STABILIZATION AGENCY

Office of Price Stabilization

[Ceiling Price Regulation 7, Section 43, Special Order 71]

MAIDEN FORM BRASSIERE CO., INC.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Maiden Form Brassiere Co., Inc., has applied to the Office of Price Stabilization for maximum resale prices for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data submitted by the applicant, that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

The special order contains provisions requiring each article to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant is required to send purchasers of the articles a copy of this special order and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Price Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during that period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. The following ceiling prices are established for sales after the effective date of this special order by any seller at retail of foundation garments manufactured by Maiden Form Brassiere Co., Inc., 200 Madison Avenue, New York 16, New York, having the brand name "Maidenform" and described in the manufacturer's application, dated March 5, 1951. The manufacturer's prices listed below carry a discount of 8/10 EOM.

FOUNDATION GARMENTS

Manufacturer's selling price (per dozen)	*Ceiling price at retail (per unit)*
$4.00	$0.50
6.00	.75
8.00	1.00
9.50	1.25
12.00	1.50
13.50	1.75
15.00	2.00
18.00	2.50
21.00	3.00
24.00	3.50
27.00	4.00
36.00	5.00

2. The retail ceiling price of an article stated in paragraph 1 of this special order shall apply to any other article of the same type which is otherwise priceable under Ceiling Price Regulation 7 by retailers subject to that regulation, having the same selling price to the retailer, the same brand or company name and first sold by the manufacturer after the effective date of this special order.

3. On and after July 9, 1951, Maiden Form Brassiere Co., Inc., must mark each article listed in paragraph 1 of this special order with the retail ceiling price under this special order, or attach to the article a label, tag, or ticket stating the retail ceiling price. This mark or statement must be in the following form:

OPS—Sec. 43—CPR 7
Price $--------

On and after August 8, 1951, no retailer may offer or sell the article unless it is marked or tagged in the form stated above. Prior to August 8, 1951, unless the article is marked or tagged in this form, the retailer shall comply with the marking, tagging, and posting provisions which would apply in the absence of this special order.

Upon issuance of any amendment to this special order which either adds an article to those already listed in paragraph 1 of this special order or changes the retail ceiling price of a listed article, Maiden Form Brassiere Co., Inc., must comply, as to each such article, with the preticketing requirements of this paragraph within 30 days after the effective date of the amendment. After 60 days from the effective date, no retailer may offer or sell the article unless it is ticketed in accordance with the requirements of this paragraph. Prior to the expiration of the 60-day period, unless the article is so ticketed, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

4. Within 15 days after the effective date of this special order, the manufacturer shall send a copy of this special order to each purchaser for resale to whom, within two months immediately prior to the effective date, the manufacturer had delivered any article covered in paragraph 1 of this special order. Copies shall be sent to all other purchasers on or before the date of the first delivery of any such article subsequent to the effective date of the special order, and shall be accompanied by copies of each amendment thereto (if any) issued prior to the date of the delivery. Within 15 days after the effective date of any subsequent amendment to the special order, the manufacturer shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, the seller had delivered any article the sale of which is affected in any manner by the amendment.

5. Within 45 days of the expiration of the first 6 months period following the effective date of this special order and within 45 days of the expiration of each successive 6 months period, the manufacturer shall file with the Distribution Price Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that 6 months period.

6. The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it regardless of whether the seller is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

7. This special order or any provision thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

8. The provisions of this special order are applicable to the United States and the District of Columbia.

Effective date. This special order shall become effective June 9, 1951.

MICHAEL V. DISALLE, *Director of Price Stabilization.*

JUNE 8, 1951.

[F. R. Doc. 51-6793; Filed, June 8, 1951; 9:08 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 9982, 9983]

OPP BROADCASTING CO., INC. AND COVINGTON BROADCASTING CO., INC.

ORDER DESIGNATING APPLICATION FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of The Opp Broadcasting Company, Inc., Opp, Alabama, Docket No. 9983, File No. BP-8072; Covington Broadcasting Company, Inc., Opp, Alabama, Docket No. 9982, File No. BP-8013; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 29th day of May 1951;

The Commission having under consideration the above-entitled applications each requesting a permit to construct a new standard broadcast station to operate on frequency 860 kilocycles, with 1 kilowatt power, daytime only at Opp, Alabama;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding commencing at 10:00 a. m. on July 27, 1951, at Washington, D. C., upon the following issues:

1. To determine the legal, technical,

financial and other qualifications of the corporate applicants, their officers, directors and stockholders to construct and operate the proposed stations.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of the proposed stations, and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of the proposed stations would involve objectionable interference with any existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of the proposed stations would involve objectionable interference, each with the other, or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

6. To determine whether the installation and operation of the proposed stations would be in compliance with the Commission's rules and standards of Good Engineering Practice Concerning Standard Broadcast Stations.

7. To determine on a comparative basis which, if either, of the applications in this consolidated proceeding should be granted.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 51-6707; Filed, June 8, 1951; 8:50 a. m.]

[Docket Nos. 9984, 9985]

BLUE RIDGE BROADCASTING CO. (WGGA) AND LAMAR LIFE INSURANCE CO. (WJDX)

ORDER DESIGNATING APPLICATION FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Blue Ridge Broadcasting Company (WGGA), Gainesville, Georgia, Docket No. 9984, File No. BP-7661; Lamar Life Insurance Company (WJDX), Jackson, Mississippi, Docket No. 9985, File No. BP-7909; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 29th day of May 1951;

The Commission having under consideration the above-entitled applications of Blue Ridge Broadcasting Company requesting a construction permit to change the facilities of Station WGGA, Gainesville, Georgia, from frequency 1240 kilocycles, 1 kilowatt 5 kilowatts-LS power, unlimited time to frequency 550 kilocycles, 5 kilowatts power, unlimited time, to install new transmitter, change transmitter location and install directional antenna for day and night use (DA-2) and of Lamar Life Insurance Company to change the facilities of Station WJDX, Jackson, Mississippi, from frequency 1300 kilocycles, 250 watts power, unlimited time to frequency 550 kilocycles, 500 watts 5 kilowatts-LS power, unlimited time, to install new transmitter, change transmitter and studio location and install directional antenna for night use and also having under consideration a petition filed on March 30, 1951, by Harding College, licensee of Station WHBQ, Memphis, Tennessee, requesting that the said application of Lamar Life Insurance Company be designated for hearing and that petitioner be made a party to the proceeding; and

It is ordered, That the said petition is granted and that, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding commencing at 10:00 a. m. on July 31, 1951, at Washington, D. C., upon the following issues:

1. To determine the technical, financial and other qualifications of the corporate applicants, their officers, directors and stockholders to construct and operate Stations WGGA and WJDX as proposed.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Stations WGGA and WJDX as proposed, and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of Station WJDX as proposed, would involve objectionable interference with Station WHBQ, Memphis, Tennessee, and whether the operations of Stations WGGA and WJDX as proposed would involve objectionable interference with any other existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of Stations WGGA and WJDX as proposed, would involve objectionable interference with any existing foreign broadcast stations and, if so, the nature and extent of such interference.

6. To determine whether the operation of Stations WGGA and WJDX as proposed, would involve objectionable interference, each with the other, or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

7. To determine whether the installation and operation of Stations WGGA and WJDX as proposed, would be in compliance with the Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations with particular reference to the assignment of stations where objectionable interference would be received to a field intensity contour greater than that specified for stations of their Classes, population residing within the 250 and 500 mv/m contours of Station WGGA operating as proposed and to nighttime coverage of the Jackson Metropolitan District by Station WJDX operating as proposed.

8. To determine on a comparative basis which, if either, of the applications in this consolidated proceeding should be granted.

It is further ordered, That Harding College, licensee of Station WHBQ, Memphis, Tennessee is made a party to the proceeding with reference to the application of Lamar Life Insurance Company only.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 51-6706; Filed, June 8, 1951; 8:50 a. m.]

[Docket Nos. 9986, 9987]

INTER-CITY BROADCASTING CO. (WHIM) AND ROGER WILLIAMS BROADCASTING CO., INC. (WPAW)

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Inter-City Broadcasting Company (WHIM), Providence, Rhode Island, Docket No. 9987, File No. BP-8044; Roger Williams Broadcasting Company, Inc. (WPAW), Pawtucket, Rhode Island, Docket No. 9986, File No. BP-7894; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 29th day of May 1951;

The Commission having under consideration the above-entitled applications of Inter-City Broadcasting Company (WHIM) for a change of facilities from 1110 kilocycles, with 1 kilowatt of power, daytime only to 550 kilocycles with 1 kilowatt of power, daytime only at Providence, Rhode Island; and of Roger Williams Broadcasting Company, Inc. (WPAW) for a change of facilities from 1380 kilocycles, with 500 watts of power, daytime only to 550 kilocycles, with 1 kilowatt of power, daytime only at Pawtucket, Rhode Island;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding commencing at 10:00 a. m. on August 2, 1951, at Washington, D. C., upon the following issues:

1. To determine the technical, financial and other qualifications of the corporate applicants, their officers, directors and stockholders to operate Stations WHIM and WPAW, as proposed.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operations of Stations WHIM and WPAW as proposed, and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of Stations WHIM and WPAW as proposed would involve objectionable interference with Stations WGAN, Portland, Maine; WHYN, Holyoke, Massachusetts; WDEV, Waterbury, Vermont; or with any other existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of Stations WHIM and WPAW as proposed would involve objectionable interference, each with the other, or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

6. To determine whether the operations of Station WHIM and WPAW as proposed would involve objectionable interference with Station CFNB, Fredericton, New Brunswick, Canada, or with any other existing foreign broadcast station and, if so, the nature and extent of such interference.

7. To determine whether the installation and operation of Stations WHIM and WPAW as proposed would be in compliance with the Commission's rules and standards of Good Engineering Practice Concerning Standard Broadcast Stations.

8. To determine on a comparative basis which, if either, of the applications in this consolidated proceeding should be granted.

It is further ordered, That Guy Garnett Broadcasting Services, licensee of Station WGAN, Portland, Maine; The Hampden-Hampshire Corporation, licensee of Station WHYN, Holyoke, Massachusetts; and Lloyd E. Squier, licensee of Station WDEV, Waterbury, Vermont, are made parties to this proceeding.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 51-6705; Filed, June 8, 1951; 8:50 a. m.]

[Docket Nos. 9988, 9989]

LAWRENCEBURG BROADCASTING CO. (WDXE) AND LAWRENCE COUNTY BROADCASTING CO.

ORDER DESIGNATING APPLICATION FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Aaron B. Robinson, tr/as Lawrenceburg Broadcasting Company (WDXE), Lawrenceburg, Tennessee, Docket No. 9988, File No. BMP-5540, for modification of construction permit; James L. Harrison, J. E. Sowell, Harold Twitty and R. C. Wiley, d/b as Lawrence County Broadcasting Company, Lawrenceburg, Tennessee, Docket No. 9885, File No. BP-7756, for construction permit.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 29th day of May 1951;

The Commission having under consideration the above-entitled applications requesting simultaneous co-channel operation in the same city (Lawrenceburg, Tennessee); the Lawrenceburg Broadcasting Company (WDXE) for a change in facilities from 1370 kilocycles, 500 watts power, daytime only to 1230 kilocycles, 100 watts power, unlimited time only and the Lawrence County Broadcasting Company for a new station to be operated on the frequency 1230 kilocycles, 100 watts power unlimited time;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said applications are designated for hearing in a consolidated proceeding commencing at 10:00 a. m. on August 6, 1951, at Washington, D. C., upon the following issues:

1. To determine the technical, financial and other qualifications of the individual applicant and the legal, technical, financial and other qualifications of the applicant partnership and its partners to operate the proposed station.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Station WDXE, as proposed, and the proposed station and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of Station WDXE, as proposed and the proposed station would involve objectionable interference with any other existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of Station WDXE, as proposed and the proposed station would involve objectionable interference, each with the other, or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

6. To determine whether the installation and operation of Station WDXE, as proposed, and the proposed station would be in compliance with the Commission's rules and standards of Good Engineering Practice Concerning Standard Broadcast Stations.

7. To determine on a comparative basis which, if either, of the applications in this consolidated proceeding should be granted.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 51-6708; Filed, June 8, 1951; 8:50 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-887, G-1263]

ATLANTIC GULF GAS CO. AND UNITED GAS PIPE LINE CO.

NOTICE OF ORDER DENYING APPLICATIONS

JUNE 5, 1951.

In the matters of Atlantic Gulf Gas Company, Docket No. G-887; United Gas Pipe Line Company, Docket No. G-1263.

Notice is hereby given that, on May 31, 1951, the Federal Power Commission issued its order entered May 29, 1951, denying applications in the above-designated matters.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6683; Filed, June 8, 1951; 8:46 a. m.]

[Docket Nos. ID-919, ID-1096]

R. E. MOODY AND DUDLEY SANFORD

NOTICE OF ORDERS AUTHORIZING APPLICANTS TO HOLD CERTAIN POSITIONS

JUNE 5, 1951.

In the matters of R. E. Moody, Docket No. ID-919; Dudley Sanford, Docket No. ID-1096.

Notice is hereby given that, on June 4, 1951, the Federal Power Commission issued its orders entered May 29, 1951, in the above-designated matters, authorizing Applicants to hold certain positions pursuant to section 305 (b) of the Federal Power Act.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6678; Filed, June 8, 1951; 8:46 a. m.]

[Docket Nos. G-1571, G-1601]

EAST OHIO GAS CO. AND NEW YORK STATE NATURAL GAS CORP.

NOTICE OF FINDINGS AND ORDER

JUNE 5, 1951.

In the matters of The East Ohio Gas Company, New York State Natural Gas Corporation; Docket No. G-1571, Docket No. G-1601.

Notice is hereby given that, on May 31, 1951, the Federal Power Commission issued its findings and order entered May 31, 1951, issuing certificates of public convenience and necessity in the above-designated matters.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6684; Filed, June 8, 1951; 8:46 a. m.]

[Docket Nos. G-1573, G-1614, G-1599]

TENNESSEE GAS TRANSMISSION CO. ET AL.

NOTICE OF ORDER ISSUING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

JUNE 5, 1951.

In the matters of Tennessee Gas Transmission Company, Docket No. G-1573; Tennessee Gas Transmission

Company, and United Natural Gas Company, Docket No. G–1614; National Gas & Oil Corporation, Docket No. G–1599.

Notice is hereby given that, on June 1, 1951 the Federal Power Commission issued its order entered May 31, 1951, issuing certificates of public convenience and necessity in the above-designated matters.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51–6685; Filed, June 8, 1951; 8:47 a. m.]

[Docket Nos. G–1594, G–1628, G–1647]

OHIO FUEL GAS CO. ET AL.

NOTICE OF FINDINGS AND ORDERS

JUNE 5, 1951.

In the matter of The Ohio Fuel Gas Company, Docket No. G–1594; United Gas Pipe Line Company, Docket No. G–1628; El Paso Natural Gas Company, Docket No. G–1647.

Notice is hereby given that, on May 31, 1951, the Federal Power Commission issued its findings and orders entered May 29, 1951, issuing certificates of public convenience and necessity in the above-designated matters.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51–6686, Filed; June 8, 1951; 8:47 a. m.]

[Docket No. G–1637]

EL PASO NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

JUNE 5, 1951.

On March 19, 1951, El Paso Natural Gas Company (Applicant), a Delaware corporation of El Paso, Texas, filed an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act authorizing the construction and operation of approximately 5.3 miles of loop line from Gulf Oil Corporation's Eunice plant to Applicant's Eunice plant in Lea County, New Mexico, all as more fully described in the application on file with the Commission and open to public inspection.

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application including publication in the FEDERAL REGISTER on April 4, 1951 (16 F. R. 2942).

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on June 25, 1951, at 9:30 a. m. (e. d. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: June 6, 1951.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51–6692; Filed, June 8, 1951; 8:47 a. m.]

[Docket No. G–1674]

EL PASO NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

JUNE 5, 1951.

On April 19, 1951, El Paso Natural Gas Company (Applicant), a Delaware corporation, having its principal place of business in El Paso, Texas, filed an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, as amended, authorizing the construction and operation of a meter station near Laveen, Arizona, for the transportation and sale of natural gas by Applicant for resale in that community, as fully described in the application on file with the Commission and open to public inspection.

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on May 3, 1951 (16 F. R. 3933).

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on June 25, 1951, at 9:45 a. m. (e. d. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application; provided, however, that the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: June 6, 1951.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51–6693; Filed, June [illegible] 51; 8:47 a. m.]

[Docket No. G–1690]

CALIFORNIA PACIFIC UTILITIES CO.

NOTICE OF APPLICATION

JUNE 5, 1951.

Take notice that on May 22, 1951, California Pacific Utilities Company (Applicant), a California corporation of San Francisco, California, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of approximately 14½ miles of 4-inch pipeline between Needles, California, and a point on the 34-inch transmission line of Pacific Gas and Electric Company in San Bernardino County, California, near Topock, Arizona.

Applicant proposes to transport natural gas to its distribution system in Needles, California. Applicant presently serves its customers in the city of Needles, California, with manufactured gas.

The estimated cost of the proposed facilities is $120,000 which will be financed initially with general funds of Applicant and temporary bank loans.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 25th day of June 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 51–6691; Filed, June 8, 1951; 8:47 a. m.]

[Docket No. G–1694]

CITY GAS CO. OF PHILLIPSBURG, N. J.

NOTICE OF APPLICATION

JUNE 5, 1951.

Take notice that City Gas Company of Phillipsburg, N. J., a New Jersey corporation having its principal office at No. 57 Main Street, Flemington, New Jersey, filed on May 25, 1951, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the delivery of 1700 Mcf of natural gas per day reserved under Docket G–1012 for Applicant from a point on the Coatesville-Port Jervis line of The Manufacturers Light and Heat Company near Easton, Penn-

sylvania, to a point on the distribution system of Applicant at Phillipsburg, New Jersey.

Under an agreement with The Manufacturers Light and Heat Company entered into on May 22, 1951, Applicant proposes to purchase for transmission to its local distribution system up to 1700 Mcf per day of natural gas. This amount will be supplied to The Manufacturers Light and Heat Company by Texas Eastern Transmission Corporation, which was previously directed to supply Applicant up to 1700 Mcf per day of natural gas contingent upon a showing by Applicant that this amount of natural gas can be economically delivered to it (Federal Power Commission Opinion No. 206 and accompanying order, issued February 27, 1951, Federal Power Commission Docket No. G-1012, In the Matter of Texas Eastern Transmission Corporation).

Applicant states that it plans to create a new corporation to be known as The Penn-Jersey Pipe Line Company for construction and operation of approximately 6 miles of a 6⅝-inch pipeline from a point on Manufacturers' Coatesville-Port Pervis line to a point on the distribution system of Applicant, and that an application for a certificate will be filed with the Commission by Penn-Jersey Pipe Line Company.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 25th day of June 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6677; Filed, June 8, 1951; 8:46 a. m.]

[Docket No. E-6268]

WISCONSIN MICHIGAN POWER CO.

NOTICE OF OPINION AND ORDER

JUNE 5, 1951.

Notice is hereby given that, on June 1, 1951, the Federal Power Commission issued its Opinion No. 213 and order entered May 29, 1951, in the above-entitled matter, directing compliance with Federal Power Act and requiring accounting for amounts charged in excess of filed rates.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6679; Filed, June 8, 1951; 8:46 a. m.]

[Docket No. E-6353]

SOUTH CAROLINA ELECTRIC & GAS CO.

NOTICE OF ORDER GRANTING PERMISSION TO AMORTIZE CHARGES

JUNE 5, 1951.

Notice is hereby given that, on June 1, 1951, the Federal Power Commission issued its order entered May 29, 1951, granting permission under balance sheet accounts instruction 6-E to amortize charges associated with refunded bonds, in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6680; Filed, June 8, 1951; 8:46 a. m.]

[Docket No. E-6355]

IDAHO POWER CO.

NOTICE OF ORDER AUTHORIZING ISSUANCE OF SECURITIES

JUNE 5, 1951.

Notice is hereby given that, on June 1, 1951, the Federal Power Commission issued its order entered June 1, 1951, authorizing issuance of securities in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6681; Filed, June 8, 1951; 8:46 a. m.]

[Project No. 1910]

ANDREW BOOGARD

NOTICE OF ORDER EXTENDING TIME FOR COMPLETION OF PROJECT

JUNE 4, 1951.

Notice is hereby given that, on June 4, 1951, the Federal Power Commission issued its order entered May 29, 1951, in the above-entitled matter, further extending time, to October 1, 1951, for completing construction of Project.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-6682; Filed, June 8, 1951; 8:46 a. m.]

GENERAL SERVICES ADMINISTRATION

SECRETARY OF DEFENSE

DELEGATION OF AUTHORITY, WITH RESPECT TO PETITION OF ARLINGTON COUNTY BOARD FOR INVESTIGATION OF TRANSPORTATION FACILITIES, SERVICES AND RATES IN WASHINGTON, D. C. METROPOLITAN AREA BEFORE INTERSTATE COMMERCE COMMISSION

1. Pursuant to the provisions of section 201 (a) (b) and 205 (d) and (e) of the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress, authority to represent the interests of the executive agencies of the Federal Government and to appear as witnesses and counsel for the executive agencies of the Federal Government in the matter of the petition of the Arlington County Board for investigation of transportation facilities, services and rates in the Washington, D. C. metropolitan area before the Interstate Commerce Commission is hereby delegated to the Secretary of Defense.

2. The Secretary of Defense is hereby authorized to redelegate any of the authority contained herein to any officer, official or employee of the Department of Defense.

3. The authority conferred herein shall be exercised in accordance with the policies, procedures and controls prescribed by the General Services Administration and shall further be exercised in cooperation with the responsible officers, officials and employees of such Administration.

4. This delegation of authority shall be effective as of May 14, 1951.

Dated: June 5, 1951.

JESS LARSON,
Administrator.

[F. R. Doc. 51-6734; Filed, June 8, 1951; 8:54 a. m.]

SECRETARY OF DEFENSE

DELEGATION OF AUTHORITY WITH RESPECT TO PETITION BY PULLMAN CO. BEFORE INTERSTATE COMMERCE COMMISSION TO INCREASE ITS RATES AND CHARGES 15 PERCENT

1. Pursuant to the provisions of Sections 201 (a) (4) and 205 (d) and (e) of the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress, authority to represent the interests of the executive agencies of the Federal Government and to appear as witnesses and counsel for the executive agencies of the Federal Government in the matter of petition by the Pullman Company before the Interstate Commerce Commission for permission to increase its rates and charges is hereby delegated to the Secretary of Defense.

2. The Secretary of Defense is hereby authorized to redelegate any of the authority contained herein to any officer, official or employee of the Department of Defense.

3. The authority conferred herein shall be exercised in accordance with the policies, procedures and controls prescribed by the General Services Administration and shall further be exercised in cooperation with the responsible officers, officials and employees of such Administration.

4. This delegation of authority shall be effective as of May 21, 1951.

Dated: June 1, 1951.

JESS LARSON,
Administrator.

[F. R. Doc. 51-6674; Filed, June 8, 1951; 8:46 a. m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

COMMISSIONER OF COMMUNITY FACILITIES AND DIVISION ENGINEERS OF COMMUNITY FACILITIES SERVICE

DELEGATION OF AUTHORITY WITH RESPECT TO PROCUREMENT IN CONNECTION WITH SCHOOL FACILITIES

1. Pursuant to authority vested in me by the delegation of authority dated February 17, 1951, from the Administra-

tor of General Services with respect to procurement in connection with school facilities (16 F. R. 1802) and by the provisions of the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress, as amended, relevant thereto, I hereby delegate to the Commissioner of Community Facilities and to the Division Engineers of the Community Facilities Service, respectively, authority to make purchases and contracts for supplies and services pursuant to Title III of the aforesaid act in connection with school facilities to be provided under section 204 of Public Law 815, 81st Congress: *Provided, however,* That such purchases and contracts may be negotiated only if it is determined by the Commissioner or Division Engineer that the facts are such as to bring the purchase or contract within the provisions of subsection 302 (c) (1), (2) or (4) of the said Public Law 152.

2. The authority contained herein may be exercised by the Officer, official or employee authorized to act for the Commissioner or for a Division Engineer during his absence or incapacity.

(Reorg. Plan No. 3 of 1947, 61 Stat. 954 (1947); 62 Stat. 1268, 1283-85 (1948), 12 U. S. C. 1701c (Supp. 1949), as amended by Pub. Law 475, 81st Cong., 2d Sess., section 503 (Apr. 20, 1950); 63 Stat. 413, 440 (1949), 12 U. S. C. 1701d-1 (Supp. 1949); Reorg. Plan No. 17 of 1950, 15 F. R. 3177 (1950); 63 Stat. 378, 393 (1949), 41 U. S. C. 251-260 (Supp. 1949); Pub. Law 815, 81st Cong., 2d Sess., secs. 204, 209 (Sept. 23, 1950); Delegation of Authority of Feb. 17, 1951 (16 F. R. 1802)).

Effective this 9th day of June 1951.

RAYMOND M. FOLEY,
Housing and Home Finance, Administrator.

[F. R. Doc. 51-6704; Filed, June 8, 1951; 8:50 a. m.]

INTERSTATE COMMERCE COMMISSION

[No. 30822]

INCREASED PASSENGER FARES, SOUTHERN RAILROADS, 1951

JUNE 5, 1951.

By petition dated May 25, 1951, the common carriers by railroad in the South, listed below, request this Commission to authorize petitioners to increase between stations on their lines their interstate one-way basic passenger fares by 10 percent, or to approximately 3.85 cents per mile in parlor and sleeping cars, and 2.75 cents per mile in coaches, with a minimum one-way fare of 25 cents; to increase their round-trip fares on the basis of 180 percent of the increased one-way fares, so as to approximate 3.465 cents per mile in sleeping and parlor cars and 2.475 cents per mile in coaches; to increase such fares between stations on their lines and stations on connecting lines sufficiently to reflect the proposed increases on their lines; and to increase excess baggage charges by applying the present excess baggage scale to the increased one-way basic fares for transportation in sleeping and parlor cars.

Petitioners further ask that they be granted special permission to make such increased fares effective by publication, on five days' notice; that the Commission modify its outstanding order in Docket No. 11703, Intrastate Rates Within Illinois, 59 I. C. C. 350, to the extent necessary to enable petitioners to make effective the increased fares herein proposed on intrastate traffic in the State of Illinois; and that where the application of such increased fares would result in creating new departures or changing existing departures from Section 4 of the Interstate Commerce Act, the Commission, by the entry of special orders, authorize such departures.

The petition above described has been docketed as No. 30822, Increased Passenger Fares, Southern Railroads, 1951, and is assigned for public hearing before Commissioner J. Haden Alldredge at the offices of the Georgia Public Service Commission, Atlanta, Ga., on July 2, 1951, at 9:30 o'clock a. m., United States Standard Time (or 9:30 o'clock a. m. local daylight saving time, if that time is observed).

A copy of this notice has, on the date hereof, been sent by regular mail to the said petitioners, the Governors and the rate regulatory authorities of the States traversed by petitioners, and at the same time copies have been posted in the office of the Secretary of the Commission at Washington, D. C., for public inspection, and filed with the Director, Division of the Federal Register, Washington, D. C.

By the Commission.

[SEAL] W. P. BARTEL,
Secretary.

APPENDIX—LIST OF PETITIONERS

Aberdeen and Rockfish Railroad Company.
The Alabama Great Southern Railroad Company.
Atlanta and West Point Rail Road Company.
Atlantic Coast Line Railroad Company.
Blue Ridge Railway Company.
Carolina and Northwestern Railway Company.
Carolina, Clinchfield and Ohio Railway.
Carolina, Clinchfield and Ohio Railway of South Carolina (Lessees: Atlantic Coast Line Railroad Company; Louisville and Nashville Railroad Company).
Central of Georgia Railway Company.
Charleston & Western Carolina Railway Company.
The Cincinnati, New Orleans and Texas Pacific Railway Company.
Columbia, Newberry and Laurens Railroad Company.
Danville and Western Railway Company.
Florida East Coast Railway Company (Scott M. Loftin and John W. Martin, Trustees).
Fort Myers Southern Railroad Company.
Frankfort & Cincinnati Railroad Company.
Georgia Rail Road and Banking Company (Operated as the Georgia Railroad by lessees: Atlantic Coast Line Railroad Company and Louisville and Nashville Railroad Company).
Georgia Southern and Florida Railway Company.
Louisville and Nashville Railroad Company.
The Nashville, Chattanooga & St. Louis Railway.
New Orleans and Northeastern Railroad Company.
Richmond, Fredericksburg, and Potomac Railroad Company.
Seaboard Air Line Railroad Company.
Southern Railway Company.
Tampa Southern Railroad Company.
Tennessee Central Railway Company.
The Western Railway of Alabama.
Winston-Salem Southbound Railway Company.

[F. R. Doc. 51-6690; Filed, June 8, 1951; 8:47 a. m.]

[Sec. 5a Application 35]

OIL FIELD HAULERS ASSN., INC.

APPLICATION FOR APPROVAL OF AGREEMENT

JUNE 6, 1951.

The Commission is in receipt of the above-entitled and numbered application for approval of an agreement under the provisions of section 5a of the Interstate Commerce Act.

Filed June 4, 1951, by: Ewell H. Muse, Jr., Attorney-in-Fact, P. O. Box 1014, Nash Building, Austin 66, Tex.

Agreement involved: An agreement between and among common carriers by motor vehicle relating to rates, rules, and regulations for the transportation in interstate or foreign commerce of oilfield, refinery, and pipe line machinery, materials, supplies and equipment, and of heavy or cumbersome machinery and commodities requiring special equipment for loading, unloading, or transportation, between points in the United States; and procedures for the joint initiation, consideration, and establishment thereof.

The complete application may be inspected at the office of the Commission in Washington, D. C.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 20 days from the date of this notice. As provided by the general rules of practice of the Commission, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-6709; Filed, June 8, 1951; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

NEW YORK CURB EXCHANGE

NOTICE OF PROPOSAL TO DECLARE EFFECTIVE A PLAN FILED FOR DISPOSAL OF CERTAIN DOCUMENTS

Notice is hereby given that the Securities and Exchange Commission has under consideration a plan filed by the New York Curb Exchange pursuant to § 240.17a-6 (Rule X-17A-6) under the Securities Exchange Act of 1934 for disposal of the following material filed with that Exchange pursuant to the stated sections of the act or the rules and regulations thereunder:

(1) Applications and reports pursuant to sections 12 and 13 which have been on file for more than five years.

(2) Documents and reports pursuant to sections 14 and 16 which have been on file for more than five years after the termination of listing and registration of all equity securities of a registrant on the New York Curb Exchange.

However, in the case of a registrant the listing and registration of all of whose securities have been terminated on the New York Curb Exchange by reason of their listing and registration on the New York Stock Exchange, the complete registration file for the securities and reports filed pursuant to section 16, then on file with the New York Curb Exchange will, at the request of the registrant or the New York Stock Exchange, be transferred to the New York Stock Exchange at the time registration of the securities on that Exchange becomes effective. In these cases, documents filed pursuant to section 14 will not be so transferred but will be disposed of in accordance with the provisions of (2) above.

The New York Curb Exchange proposes to commence the disposition of the specified material as soon as practicable after the Commission has declared its plan effective. The plan also contemplates that thereafter, regular disposition will be made of similar material in May of each year.

The Commission proposes to declare the plan of the New York Curb Exchange effective on condition that if at any time it appears to the Commission necessary or appropriate in the public interest or for the protection of investors so to do, the Commission may suspend or terminate the effectiveness of said plan by sending at least ten days' written notice to the Exchange.

These proposals are made pursuant to the provisions of the Securities Exchange Act of 1934, particularly sections 17 (a), 23 (a), and 24 (b) thereof and Rule X-17A-6 thereunder. Interested persons are invited to submit their views and comments in writing to the Securities and Exchange Commission, 425 Second Street NW., Washington, D. C., on or before June 22, 1951.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

JUNE 1, 1951.

[F. R. Doc. 51-6700; Filed, June 8, 1951; 8:48 a. m.]

[File Nos. 54-180, 59-94]

GREEN MOUNTAIN POWER CORP.

MEMORANDUM OPINION AND ORDER APPROVING MODIFICATIONS OF AMENDED PLAN

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 31st day of May A. D. 1951.

The Commission in its findings and opinion and order dated May 3, 1951,[1] approved an amended plan of Green Mountain Power Corporation ("Green Mountain"), a public utility subsidiary company of a registered holding company, under section 11 (e) of the Public Utility Holding Company Act of 1935. This plan provided, among other things, for cumulative voting for directors.[2]

On May 4, 1951, at the request of Green Mountain, the Commission applied to the United States District Court for the District of Vermont for an order enforcing and carrying out the terms and provisions of the plan. The Court, by order, set June 4, 1951, as the date on which the hearing on this application would be held.

On May 18, 1951, the State of Vermont adopted an amendment to its General Corporation law.[3] This amendment permits a Vermont corporation to file its original articles of association with a provision therein providing for cumulative voting for directors, but prohibits an existing corporation from amending its articles of association to so provide. On May 29, 1951, Green Mountain filed an amendment modifying its plan wherein, among other things, it deleted from its plan and the proposed amendments to its Articles of Association the provisions providing for cumulative voting for directors. The provision in the plan providing an alternative procedure for the selection of the initial board of directors retains the cumulative voting feature.

The Commission's findings of May 3, 1951, described Green Mountain's proposed common stock financing and now, as then, the Commission recognizes the importance of this financing. It is a fundamental part of the plan, and Green Mountain's construction program is dependent upon its consummation. It is now well settled, and the Commission has consistently required, that plans, proposed under section 11 (e) of the act to effectuate a fair and equitable distribution of voting power among security holders, should provide for cumulative voting for directors except under very unusual circumstances. However, it appears that if Green Mountain attempted to organize a new corporation which would provide its stockholders with cumulative voting rights without violating the Vermont statute, or attempted in the enforcement proceedings to override or contest the statute, such steps would delay the common stock financing. We have weighed the clear benefits to be derived from cumulative voting for directors against the detrimental effect of a delay in Green Mountain's financing program. In these circumstances we find it in the public interest and in the interest of investors to approve the proposed modifications of the amended plan.

Telegrams supporting the proposed amendment have been filed by the protective committees representing Green Mountain's preferred stockholders, the only present stockholders affected by this amendment, and such telegrams are part of the record before the Commission, and, consequently, part of the record which will be before the United States District Court for the District of Vermont. While in the Commission's opinion the proposed amendment is a modification of Green Mountain's reorganization plan, under the circumstances it is not such a substantial modification affecting Green Mountain's stockholders as to require further notice or a further opportunity for hearing before the Commission, particularly in view of the express provision in the plan as heretofore approved permitting such modification with the consent of the Commission at any time prior to approval by the Court.

This memorandum opinion and order should not be construed as evidencing any change in our announced and settled policy with respect to cumulative voting in appropriate cases or as indicating the view that the necessity of an early consummation of a financing program can be urged as a reason for not taking such time as might be necessary to secure for stockholders the beneficial rights of cumulative voting. This case is unique in that the timing of the legislative enactment has given the management no opportunity to make the substantial changes in its reorganization procedure necessary to provide for cumulative voting.

The other proposed modifications are minor in character and need not be recited here. We take no exception thereto.

We find that the amended plan of Green Mountain, as modified by the subsequent amendment, is necessary to effectuate the provisions of section 11 (b) and fair and equitable to the persons affected thereby.

It is ordered, Pursuant to section 11 (e) and the applicable sections of the act, that the amended plan of Green Mountain, as modified by the amendment filed May 29, 1951, be, and the same hereby is, approved, subject, however, to the terms and conditions and the reservations of jurisdiction set forth in the Commission's order of May 3, 1951, herein.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 51-6699; Filed, June 8, 1951; 8:48 a. m.]

[File Nos. 70-2340-70-2343, 50-34]

PHILADELPHIA CO. ET AL.

ORDER EXTENDING TIME FOR TERMINATION OF INTERLOCKING RELATIONSHIPS BETWEEN PHILADELPHIA COMPANY AND FORMER GAS COMPANY SUBSIDIARIES

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 4th day of June 1951.

In the matter of Philadelphia Company, Equitable Gas Company, Pitts-

[1] Holding Company Act Release No. 10524.

[2] The proposed amendments to Green Mountain's Articles of Association provide for cumulative voting for directors as does the plan with respect to the first annual meeting of stockholders for the election of directors.

[3] No. 277—An Act to Amend Section 5784 of V. S. 47, Relating to Corporations.

burgh and West Virginia Gas Company, Kentucky West Virginia Gas Company, File No. 70-2343; Philadelphia Company, File No. 70-2342; Philadelphia Company, File No. 50-34; Standard Gas and Electric Company, File No. 70-2341; Standard Gas and Electric Company, Philadelphia Company, File No. 70-2340.

Standard Gas and Electric Company ("Standard") and its subsidiary, Philadelphia Company ("Philadelphia"), both registered holding companies and subsidiaries of Standard Power and Light Corporation, also a registered holding company, and certain of Philadelphia's former subsidiaries, Equitable Gas Company ("Equitable"), Pittsburgh and West Virginia Gas Company ("Pittsburgh"), and Kentucky West Virginia Gas Company ("Kentucky"), having filed applications-declarations and amendments thereto pursuant to the Public Utility Holding Company Act of 1935 ("act") and the rules and regulations promulgated thereunder, proposing, among other things, the reorganization of the natural gas and oil properties in the Philadelphia system, the recapitalization and issuance of securities by Equitable, the amendment of Equitable's charter, and the sale by Philadelphia to the public of all the common stock of Equitable, as reorganized; and

The Commission, by order dated March 14, 1950, having granted and permitted to become effective said applications-declarations, as amended, subject, among other things, to the following condition:

1. That within six months (or such additional time as may be allowed for good cause shown) after consummation of the sale by Philadelphia of the Equitable common stock, Standard and Philadelphia shall, in an appropriate manner not in contravention of the provisions of the act or the rules, regulations or orders thereunder, terminate or cause to be terminated all interlocking relationships through any person or persons by way of contract, retainer or other arrangement with any person or persons, or through the holding of an officership or directorship by any person or persons, or by the joint operation of departments and activities and the joint use of personnel, property or facilities as between Equitable, Pittsburgh, and Kentucky, on the one hand, and other companies now or formerly in the Philadelphia system, on the other;

and

The afore-mentioned sale by Philadelphia of the Equitable common stock having been consummated on March 31, 1950; and

Standard and Philadelphia, by letter dated October 23, 1950, having requested the Commission to extend for an additional six months the time for compliance with the said condition; and

The Commission, by order dated November 10, 1950, having granted such request and extended the time for compliance with the above-recited condition to March 31, 1951; and

Standard and Philadelphia, by letter dated May 17, 1951, having stated that while substantial progress has been made in the program of segregating the operating organizations of Philadelphia's former gas company subsidiaries and the Philadelphia system, additional time is required to complete the program; and Standard and Philadelphia having requested the Commission to extend for an additional six months the time for compliance with the said condition; and

The Commission having considered such request and the reasons advanced in support thereof and the Commission deeming that the public interest and the interest of investors and consumers will not be affected adversely by granting such request:

It is ordered, That the time prescribed for compliance by Standard and Philadelphia with the above-recited condition be, and hereby is, extended to October 1, 1951.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-6703; Filed, June 8, 1951; 8:49 a. m.]

[File No. 70-2626]

PUBLIC SERVICE CO. OF NEW HAMPSHIRE

ORDER AUTHORIZING ISSUANCE AND SALE OF BONDS AND NOTES

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 31st day of May A. D. 1951.

Public Service Company of New Hampshire ("Public Service"), a public utility subsidiary of New England Public Service Company, a registered holding company, having filed an application, and amendments thereto, pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 ("act") and Rule U-50 promulgated thereunder, with respect to the following transactions:

Public Service proposes to issue and sell, pursuant to the competitive bidding requirements of Rule U-50, $3,000,000 principal amount of First Mortgage Bonds, Series F, ___ percent, due 1981. The interest rate on said bonds (to be a multiple of ⅛ of 1 percent) and the price, exclusive of accrued interest, to be received by the company (to be not less than 100 percent nor more than 102.75 percent of the principal amount of said bonds) are to be determined at competitive bidding. The bonds are to be issued under and secured by the company's Original Indenture of Mortgage dated January 1, 1943, as supplemented by various Indentures, and by a proposed Sixth Supplemental Indenture to be dated June 1, 1951. The net proceeds from the sale of the bonds will be applied to reduce short-term borrowings incurred for interim financing of the company's construction program.

Public Service further proposes to issue or renew, from time to time, beginning July 1, 1951 until December 31, 1951, notes having a maturity of nine months or less up to the maximum of $7,100,000 at any one time outstanding (including notes outstanding as of May 4, 1951 in the amount of $5,450,000). The company anticipates that it will be able to borrow the required funds at an interest rate of not exceeding 2¾ percent per annum. It states that, if the interest rate on any of the notes should exceed 2¾ percent, it will file an amendment to its application at least five days before the execution and delivery of such note, and asks that such amendment shall become effective without further order of the Commission at the end of the five-day period unless the Commission shall have notified the company to the contrary. The proceeds from such borrowings will be used to pay for construction and for other corporate purposes through December 31, 1951.

The total estimated fees and expenses to be paid by Public Service in connection with the proposed transactions amount to $30,000, including printing costs of $9,500, Trustee's fees and expenses of $4,250, accountants' fees of $1,400 and counsel fees of $9,000.

The said application having been filed on May 4, 1951 and the last amendment thereto having been filed on May 28, 1951, and notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for a hearing with respect to said application within the period of time specified in said notice, or otherwise, and not having ordered a hearing thereon; and

It appearing that the New Hampshire Public Service Commission has authorized the proposed issuance and sale of the bonds, subject to a report and supplemental order with respect to the results of competitive bidding, and that applicant has undertaken to file in this proceeding a copy of the order of the Vermont Public Service Commission, after its entry, authorizing the proposed issuance and sale of the bonds to the extent that such bonds are issued on account of property or expenditures within Vermont; and it also appearing that the New Hampshire Public Service Commission has authorized the issuance or renewal of the notes to the extent that such notes evidence indebtedness incurred more than twelve months prior to the maturity date of such notes; and

It further appearing to the Commission that the record is incomplete with respect to the fees of counsel for Public Service and independent counsel for the underwriters, and the Commission deeming it appropriate to reserve jurisdiction with respect to such fees; and

The Commission finding with respect to said application, as amended, that the requirements of the applicable provisions of the Act and Rules promulgated thereunder are satisfied and that the estimated fees and expenses, other than fees of counsel for Public Service and independent counsel for the underwriters, are not unreasonable; and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers that said application, as amended, be granted without the imposition of terms and conditions, other than those specified below, and further deeming it appropriate to grant applicant's request that the order herein insofar as it relates to the issuance and sale of bonds become effective upon its issuance and insofar as it re-

lates to the issuance or renewal of notes become effective on July 1, 1951:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application, as amended, be, and the same hereby is, granted, subject to the terms and conditions prescribed in Rule U-24 and to the following additional terms and conditions:

(1) That Public Service shall have obtained proper authorization of the proposed issuance and sale of the bonds from the Vermont Public Service Commission and shall have filed a copy of the order in this proceeding;

(2) That the proposed sale of bonds by Public Service shall not be consummated (a) until the supplemental order of the New Hampshire Public Service Commission with respect to the results of competitive bidding has been entered and made a part of the record herein and (b) until the results of competitive bidding, pursuant to Rule U-50, have been made a matter of record in this proceeding and a further order entered by this Commission in the light of the record so completed, which order may contain such further terms and conditions as may then be deemed appropriate, jurisdiction being reserved for such purpose;

(3) That jurisdiction be reserved with respect to the payment of fees and expenses of counsel for Public Service and independent counsel for the underwriters incurred or to be incurred in connection with the proposed transactions.

It is further ordered, That this order insofar as it relates to the issuance and sale of bonds shall become effective upon its issuance and insofar as it relates to the issuance or renewal of short-term notes shall become effective on July 1, 1951.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-6698; Filed, June 8, 1951; 8:48 a. m.]

[File No. 70-2629]

UNION ELECTRIC CO. OF MISSOURI AND MISSOURI POWER & LIGHT CO.

ORDER GRANTING AUTHORITY TO SELL UTILITY ASSETS TO NON-AFFILIATED PUBLIC UTILITY COMPANY

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 4th day of June 1951.

Union Electric Company of Missouri ("Union"), a registered holding company and a public utility company, and its public utility subsidiary, Missouri Power & Light Company ("Missouri Power"), all of whose outstanding common stock is owned by Union, having filed a joint declaration and an amendment thereto pursuant to section 12 (d) of the Public Utility Holding Company Act of 1935 ("act") and Rule U-44 (a) promulgated thereunder, with respect to the following proposed transactions:

Missouri Power proposes to sell its electric properties located at Clinton, Missouri to Missouri Public Service Company ("Missouri Public"), a non-affiliated public utility company, for a purchase price of $650,000 in cash, including $17,569.30 on account of the transfer of materials and supplies and merchandise on hand for resale and $709.59 for certain other investments, pursuant to an agreement of sale between said companies, dated January 18, 1951. A copy of said agreement is on file with the Commission.

The net book cost (depreciated original cost) at December 31, 1950, of the electric properties to be sold was $289,580. Missouri Power proposes to credit the excess of the purchase price over the depreciated book cost to earned surplus on its books of account.

The declaration, as amended, states that this transaction is proposed to facilitate compliance with the terms of an order of this Commission, dated December 28, 1950 (Holding Company Act Release No. 10320), whereby the acquisition of all the common stock of Missouri Power by Union was permitted, subject to the condition, inter alia, that the Clinton electric properties be disposed of within six months, since such properties could not be retained under the standards of Section 11 of the Act.

The declarants state that the net proceeds of the sale will be expended for the construction by Missouri Power of a new substation near Moberly, Missouri, which it alleges will further integrate its system with that of Union.

The declaration, as amended, further states that the expenses of Missouri Power in connection with the sale are estimated at not more than $100.

The proposed transactions have been approved by the Missouri Public Service Commission.

It is requested that the order of this Commission approving the sale conform to the requirements of Supplement R of Chapter I of the Internal Revenue Code, as amended.

Said amended joint declaration having been duly filed and notice of said filing having been given in the form and manner prescribed by Rule U-23, promulgated pursuant to said Act, and the Commission not having received a request for a hearing with respect to said joint amended declaration within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said joint declaration as amended that the requirements of the applicable provisions of the Act and Rules thereunder are satisfied, that no adverse findings are necessary in connection with the proposed transactions, that the estimated expenses are not unreasonable, and deeming it appropriate in the public interest and in the interest of investors and consumers that the said joint declaration, as amended, be permitted to become effective, and the Commission deeming it appropriate to grant the declarants' request that the order herein conform to the requirements of Supplement R of Chapter I of the Internal Revenue Code, as amended:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of said act that the said joint declaration, as amended, be, and hereby is permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

It is further ordered and recited and the Commission finds that (a) the proposed sale by Missouri Power to Missouri Public of Missouri Power's electric properties located in the City of Clinton, Missouri, and vicinity, consisting of certain real estate, electric distribution system, and street lighting systems located in said City and vicinity, and automobiles, trucks, furniture, equipment, materials, supplies and merchandise in connection with the operation of such systems (such properties being more fully described in a contract of sale between the parties dated January 18, 1951, and on file with the Commission) for a consideration of $650,000, and (b) the proposed expenditure by Missouri Power of the net proceeds of such sale (exclusive of $17,569.30 to be received on account of the transfer of materials and supplies and merchandise on hand for resale) for the construction of a new substation near Moberly, Missouri, for the purpose of further integrating its electric system with that of Union, all as authorized or permitted by this order of the Commission, and in obedience thereto, are necessary or appropriate to effectuate the provisions of section 11 (b) of the act, and are necessary and appropriate to the integration of the holding company system of which Missouri Power and Union are members.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-6702; Filed, June 8, 1951; 8:49 a. m.]

[File No. 70-2630]

NEW ENGLAND GAS AND ELECTRIC ASSN.

ORDER AUTHORIZING ISSUANCE AND SALE OF ADDITIONAL COMMON SHARES PURSUANT TO SUBSCRIPTION OFFER TO COMMON SHAREHOLDERS

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C. on the 31st day of May A. D. 1951.

New England Gas and Electric Association ("Negea"), a registered holding company, having filed a declaration and amendments thereto pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 (the "act") and Rule U-50 (a) (1) promulgated thereunder with respect to the following proposed transactions:

Negea proposes to offer to the holders of its outstanding common shares of record at the close of business on May 31, 1951, the right to subscribe for 197,394 additional common shares on the basis of one such additional common share for each eight common shares owned, at a price of $13.00 per share. The holders of common shares on the record date will also be given the privilege of subscribing, at the subscription price, subject to

allotment on a pro rata basis for any of such additional shares not subscribed for through the exercise of rights, on the basis of one additional share for each share owned. Both the right to subscribe and the additional subscription privilege will be evidenced by transferable warrants. Warrants for full shares will be in registered form; fractional share warrants will be in bearer form. No fractional shares are to be issued, but fractional warrants may be combined for the purchase of full shares.

While the offering of common shares will not be underwritten, Negea, to facilitate the offering proposes to procure the services of security dealers to solicit subscriptions to purchase the additional common shares being offered. After requesting twelve securities dealers to submit proposals as to the basis, including compensation, on which they would act as Dealer Manager, Negea selected The First Boston Corporation. The fee to be paid to The First Boston Corporation for acting as Dealer Manager is 5.5 cents per common share issued as a result of solicitation by participating dealers. Participating dealers (including The First Boston Corporation) will receive from the company 20 cents per common share issued upon the exercise of warrants where the name of the participating dealer appears on the exercised warrant (or where the company is satisfied that such fee should be paid). The maximum aggregate amount payable to participating dealers with respect to the subscription of any one registered holder of warrants is to be limited to $300.

The filing states that a portion of the proceeds of the proposed sale of common shares will be used to retire $1,000,000 of short-term bank indebtedness which was incurred to enable Negea to acquire common stock of certain of its subsidiaries, and that any excess over the amount required for such purpose will be set aside for the purpose of acquiring additional common stocks of subsidiaries.

Said declaration having been filed on May 10, 1951, and notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for hearing with respect to said declaration within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said declaration that the requirements of the applicable provisions of the act and rules thereunder are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act that said declaration, as amended, be and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 51-6697; Filed, June 8, 1951; 8:48 a. m.]

HARVEY E. ANDERSON ET AL.

MEMORANDUM OPINION AND ORDER REVOKING REGISTRATIONS

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 4th day of June A. D. 1951.

In the matter of Harvey E. Anderson, 1013 Grand Avenue, Kansas City, Mo.; Gallagher & Company, 17 Court St., Buffalo, New York; D. W. Hampton, 524 W. 8th Street, Oklahoma City, Oklahoma; G. L. Maycroft Co., Hibbing, Minnesota; J. Bertram Quinn, Room 516, 308 West Washington Street, Chicago, Illinois; Steinauer & Co., Inc., First National Bank Bldg., Lincoln, Nebraska.

These are proceedings pursuant to section 15 (b) of the Securities Exchange Act of 1934 ("the act") to determine whether the registrants named above, each of whom is registered as broker and dealer or as a dealer only, willfully violated section 17 (a) of the act and Rule X-17A-5 thereunder and, if so, whether it is in the public interest to revoke their registrations.[1]

The proceedings were instituted by the issuance of separate notices and orders for hearing, copies of which were sent by registered mail to the addresses last furnished us by the registrants. These registered notices were returned to us by the Post Office Department with notations indicating that the registrants could not be found at the addresses given.[2]

On November 28, 1942, we promulgated Rule X-17A-5 under section 17 (a) of the act, which provides, among other things, that every registered broker or dealer must file with this Commission a report of financial condition during each calendar year commencing with the year 1943. Promulgation of the rule was announced by publication in the FEDERAL REGISTER, by release to the press, and by distribution to persons on our mailing list.

The registrations of the registrants have not been withdrawn, cancelled, revoked or suspended, and as of the institution of the proceedings were in full force and effect. Our records show that the registrants failed to file the required reports during all or some of the years from 1943 through 1950.

Upon review of the records in these proceedings we have concluded that each of the registrants violated section 17 (a) of the act and Rule X-17A-5 thereunder as a result of failure to file such reports. We conclude also that such violations were willful within the meaning of section 15 (b).[3]

We conclude, on the basis of the foregoing, that it is necessary in the public interest to revoke the registration of each of the registrants. However, in view of the fact that our records do not show whether any of them actually received personal notice of the scheduled hearings, and to avoid any possible prejudice to them, our order will provide that the revocation of registrations be without prejudice to a motion on the part of any registrant to reopen the proceedings and to seek, upon a proper showing, to set aside the order of revocation applicable to said registrant.[4]

Accordingly, it is ordered, That the registrations of Harvey E. Anderson, Gallagher & Company, D. W. Hampton, G. L. Maycroft Co., J. Bertram Quinn, and Steinauer & Co., Inc., be, and they hereby are, revoked without prejudice to a motion by any of the said registrants to reopen the record in the proceeding and, upon a proper showing, to set aside the order of revocation applicable to said registrant.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 51-6701; Filed, June 8, 1951; 8:49 a. m.]

[1] Section 15 (b) provides in part:
"The Commission shall, after appropriate notice and opportunity for hearing, by order * * * revoke the registration of any broker or dealer if it finds that such * * * revocation is in the public interest and that (1) such broker or dealer * * * (D) has willfully violated any provision * * * of this title, or of any rule or regulation thereunder."

[2] Our orders and notices instituting these proceedings provided that the same be published in the FEDERAL REGISTER not later than 15 days prior to certain designated dates. Pursuant to this provision the orders and notices were published in the FEDERAL REGISTERS of March 16 and 22, April 18 and 21, 1951. 16 F. R. Nos. 52, 56, 75 and 78, pp. 2481, 2613, 2614, 3393, 3495, 3496.

[3] Sidney Ascher, — S. E. C. — (1950), Securities Exchange Act Release No. 4474.

[4] *Ibid.*

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 17300, Amdt.]

EMILIO SYLVESTER

In re: Estate of Emilio Sylvester, also known as Emilio Ernesto Borjas Sylvester Stelzer, deceased. File No. F-63-12933.

Vesting Order 17300 dated February 6, 1951 is hereby amended to read as follows:

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Edgar Sylvester, also known as Edgar Burchard Gustav Karl Sylvester, as Edgar Sylvester Beyerlein, and as Edgar Burchard Gustav Karl Sylvester Beyerlein, and Mrs. Gertrude Siebel, also known as Mrs. Gertrud Sylvester Beyerlein de Siebel, and as Gertrud Anna Helga Sylvester Beyerlein, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, have been residents of Germany, are nationals of a designated enemy country (Germany);

2. That the following described property in the possession, custody or control

of Guaranty Trust Company of New York, 140 Broadway, New York, New York, as depositary thereof for the account of Credit Suisse, Zurich, Switzerland, namely:

(a) $2,000, United States of Brazil 3⅜ percent External Sinking Fund Bonds of 1927 due October 15, 1979, Bonds numbered M279–21511 at $1,000, P. V. each, together with any and all rights thereunder and thereto; $400, United States of Brazil 3⅜ percent Funding Bonds of 1931 due October 1, 1979, dated October 1, 1931, Bonds numbered 77767, 21007/8 and 21049 at $100 each, together with any and all rights thereunder and thereto;

(b) 5 shares The Chesapeake and Ohio Railway Company common stock, par value $25, Certificate No. 0358508, dated September 12, 1944; registered in the name of Schmidt & Co., together with all declared and unpaid dividends thereon; and

(c) That certain debt or other obligation of the said Guaranty Trust Company of New York, 140 Broadway, New York, New York, arising out of an account maintained in said Bank for Credit Suisse, Zurich, Switzerland, in an amount equal to that which is credited by Credit Suisse, Zurich, Switzerland, to the estate of Emilio Sylvester, also known as Emilio Ernesto Borjas Sylvester Stelzer, deceased, together with the right to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That the national interest of the United States requires that the aforesaid Edgar Sylvester, also known as Edgar Burchard Gustav Karl Sylvester, as Edgar Sylvester Beyerlein, and as Edgar Burchard Gustav Karl Sylvester Beyerlein, and Mrs. Gertrude Siebel, also known as Mrs. Gertrud Sylvester Beyerlein de Siebel, and as Gertrud Anna Helga Sylvester Beyerlein, be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2 hereof subject to all lawful fees and disbursements of Credit Suisse, Zurich, Switzerland chargeable thereto and of Guaranty Trust Company of New York, 140 Broadway, New York, New York, as depositary of the aforesaid property, held for the account of Credit Suisse, Zurich, Switzerland, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51–6637; Filed, June 7, 1951; 8:49 a. m.]

[Vesting Order 17299, Amdt.]

EMILIO SYLVESTER

In re: Estate of Emilio Sylvester, also known as Emilio Ernesto Borjas Sylvester Stelzer, deceased. File No. F–63–12933.

Vesting Order 17299 dated February 6, 1951, is hereby amended to read as follows:

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Edgar Sylvester, also known as Edgar Burchard Gustav Karl Sylvester, as Edgar Sylvester Beyerlein, and as Edgar Burchard Gustav Karl Sylvester Beyerlein, and Mrs. Gertrude Siebel, also known as Mrs. Gertrud Sylvester Beyerlein de Siebel, and as Gertrud Anna Helga Sylvester Beyerlein, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, have been residents of Germany, are nationals of a designated enemy country (Germany);

2. That the following described property in the possession, custody or control of Bankers Trust Company, 16 Wall Street, New York, New York, as depositary thereof for the account of Credit Suisse, Zurich, Switzerland, namely:

(a) 5 shares Central Illinois Public Service Co. common, 10 shares Central & South West Corporation common, 15 shares Cincinnati Gas & Electric Co. common, 50 shares Colombia Gas System Inc. common, 60 shares Public Service Electric & Gas Co. common, 20 shares West Texas Utilities Comp. $6-cum. pref., together with all declared and unpaid dividends thereon;

(b) Cash in the amount of $1,857.71 as of September 26, 1950, together with any accruals thereto; cash in the amount of $87.50 as of September 26, 1950, together with any accruals thereto (General Ruling No. 6 account); and

(c) That certain debt or other obligation of the said Bankers Trust Company, 16 Wall Street, New York, New York, arising out of an account maintained with said Bank for Credit Suisse, Zurich, Switzerland, in an amount equal to that which is credited by Credit Suisse, Zurich, Switzerland, to the estate of Emilio Sylvester, also known as Emilio Ernesto Borjas Sylvester Stelzer, deceased, together with the right to demand, enforce and collect the same,

is property within the Uinted States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That the national interest of the United States requires that the aforesaid Edgar Sylvester, also known as Edgar Burchard Gustav Karl Sylvester, as Edgar Sylvester Beyerlein, and as Edgar Burchard Gustav Karl Sylvester Beyerlein, and Mrs. Gertrude Siebel, also known as Mrs. Gertrud Sylvester Beyerlein de Siebel, and as Gertrud Anna Helga Sylvester Beyerlein, be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2 hereof subject to all lawful fees and disbursements of Credit Suisse, Zurich, Switzerland chargeable thereto and of Bankers Trust Company, 16 Wall Street, New York, New York, as depositary of the aforesaid property, held for the account of Credit Suisse, Zurich, Switzerland, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General.
Director, Office of Alien Property.

[F. R. Doc. 51–6636; Filed, June 7, 1951; 8:49 a. m.]

[Vesting Order 17953]

HEINRICH CHRISTIAN POEHLS ET AL.

In re: Interest in real property owned by Heinrich Christian Poehls and others. D–28–13023.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the persons whose names and last known addresses are set forth below are residents of Germany and nationals of a designated enemy country (Germany):

Names and Addresses

Heinrich Christian Poehls, Bahrenfelder Steindamm 28, Hamburg-Altona, Germany.

Louise Poehls, Kelster-bacherstrasse 10, Frankfurt a/Main, Niederrad, Germany.

Alexander Christian Poehls, Egelsbacherstrasse 3, Frankfurt/Main, Niederrad, Germany.

Ludwig Heinrich Poehls, Guentherstrasse 14, Frankfurt/Main, Niederrad, Germany.

Louise Pauline Graf, nee Poehls, Egelsbracherstrasse 7, Frankfurt/Main, Niederrad, Germany.

Paul Hinrichsen, Hollerstrasse 23, Buedelsdorf, Schleswig-Holstein, Germany.

2. That the personal representatives, heirs, next of kin, legatees and distributees of Andreas Christian Poehls, deceased, and of Ulrich Johann Christian Poehls, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That the property described as follows: An undivided one-half (½) interest in and to those certain parcels of real property described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments, arising from the ownership of such property,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof and referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 3 hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C. on May 31, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

Parcel 1. Lot 42 in block 18 in S. E. Gross Calumet Height's Addition to South Chicago being a subdivision of the southeast quarter of section 1, township 37 north, range 14, east of the third principal meridian in Cook County, Illinois, being the same real property conveyed by warranty deed dated September 3, 1909 by Edgard L. Morgan and Rosie A. Morgan, his wife, to Marie Christine Jessen and Asmus Jessen, not in tenance in common but in joint tenancy.

Parcel 2. Lot 39 in the subdivision of the east half of the southeast quarter of the southwest quarter of the southwest fractional quarter south of the Indian Boundary line of section 5, township 37 north, range 15, east of the third principal meridian in Cook County, Illinois, being the same real property conveyed by warranty deed dated October 13, 1917 by William L. Bracken and Mary A. Bracken, his wife, to Marie Christine Jessen.

[F. R. Doc. 51-6634; Filed, June 7, 1951; 8:49 a. m.]

[Vesting Order 17298, Amdt.]

EMILIO SYLVESTER

In re: Estate of Emilio Sylvester, also known as Emilio Ernesto Borjas Sylvester Stelzer, deceased. File No. F-63-12333.

Vesting Order 17298, dated February 6, 1951, is hereby amended to read as follows:

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Edgar Sylvester, also known as Edgar Burchard Gustav Karl Sylvester, as Edgar Sylvester Beyerlein, and as Edgar Burchard Gustav Karl Sylvester Beyerlein, and Mrs. Gertrude Siebel, also known as Mrs. Gertrud Sylvester Beyerlein de Siebel, and as Gertrud Anna Helga Sylvester Beyerlein, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, have been residents of Germany, are nationals of a designated enemy country (Germany);

2. That the following described property in the possession, custody or control of Credit Suisse New York Agency, 30 Pine Street, New York, New York, as depositary thereof for the account of Credit Suisse, Zurich, Switzerland, namely:

(a) $6,000—Dominion of Canada 3¼% bonds—due January 15, 1961, together with any and all rights thereunder and thereto;

(b) 25 shares American Can Co. common, 25 shares American Tobacco Co. common, 50 shares Borden Co. common, 50 shares General Electric Co. common, together with all declared and unpaid dividends thereon; and

(c) Cash in the amount of $12,806.11 as of March 6, 1951, together with any accruals thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That the national interest of the United States requires that the aforesaid Edgar Sylvester, also known as Edgar Burchard Gustav Karl Sylvester, as Edgar Sylvester Beyerlein, and as Edgar Burchard Gustav Karl Sylvester Beyerlein, and Mrs. Gertrude Siebel, also known as Mrs. Gertrud Sylvester Beyerlein de Siebel, and as Gertrud Anna Helga Sylvester Beyerlein, be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2 hereof subject to all lawful fees and disbursements of Credit Suisse New York Agency, 30 Pine Street, New York, New York, as depositary of the aforesaid property, held for the account of Credit Suisse, Zurich, Switzerland, to be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-6635; Filed, June 7, 1951; 8:49 a. m.]

[Vesting Order 17892]

KALKER & POLACK

In re: Stock registered in the name of Kalker & Polack, Amsterdam, The Netherlands, and owned by persons whose names are unknown. F-49-1352.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of Kalker & Polack together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partner-

ships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

The United States Leather Company common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. 8974, 12909, 3485, 3486, 16654.

The Southern Railway Company no par value common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. 6791, 7407, 100249, 8256, 102736.

International Mercantile Marine Co., no par capital stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. 13550, 13559, 13561.

[F. R. Doc. 51-6711; Filed, June 8, 1951; 8:51 a. m.]

[Vesting Order 17870]

ERNST HOYERMANN ET AL.

In re: Stock owned by and debt owing to Ernst Hoyermann, Cary Hoyermann, also known as Kary Hoyermann, and Irma Hoyermann. F-28-31464.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ernst Hoyermann, whose last known address is Gut Lohns, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That Cary Hoyermann, also known as Kary Hoyermann, whose last known address is 32 Stolsestrasse Hanover, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

3. That Irma Hoyermann, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, has been a resident of Germany, and is a national of a designated enemy country (Germany);

4. That the property described as follows:

a. Three hundred (300) shares of no par value common stock of United States Steel Corporation, a corporation organized under the laws of New Jersey, evidenced by certificates for 100 shares, said certificates numbered, in the amounts and registered in the names as set forth below:

Certificate No.	Number of shares	Name of registered owner
26610/13	[1] 10	Akroyd & Smithers.
P12651/2	[1] 1	Do.
Q6614/16	[1] 10	The English Association of American Bond & Shareholders, Ltd.
P12653	5	Do.
P12654/6	[1] 1	Do.
Q6617/18	[1] 10	Huggins & Clarke.

[1] Each.

together with all declared and unpaid dividends on the aforesaid shares, and all rights to receive new certificates for 200 shares of no par value stock of the aforesaid United States Steel Corporation, under a three for one split of June 1949,

b. Nine hundred (900) shares of stock of Vanadium Corporation of America, evidenced by certificates, presently in the custody of H. Hentz & Co., New York Cotton Exchange Building, Hanover Square, New York 4, New York, in an account for Ernst Hoyermann, deceased, together with all declared and unpaid dividends thereon,

c. One (1) share of stock of North American Company, a corporation organized under the laws of New Jersey, evidenced by a certificate presently in the custody of H. Hentz & Co., New York Cotton Exchange Building, Hanover Square, New York 4, New York, in an account for Ernst Hoyermann, deceased, together with all declared and unpaid dividends thereon, and

d. That certain debt or other obligation of H. Hentz & Co., New York Cotton Exchange Building, Hanover Square, New York 4, New York, arising out of a credit balance in an account entitled, Ernst Hoyermann, deceased, and any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Ernst Hoyermann, Cary Hoyermann, also known as Kary Hoyermann, and Irma Hoyermann, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

5. That to the extent that the persons named in subparagraphs 1, 2, and 3 hereof, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-6710; Filed, June 8, 1951; 8:50 a. m.]

[Vesting Order 17893]

RYKEN & Co.

In re: Stock registered in the name of Ryken & Co., Amsterdam, The Netherlands, and owned by persons whose names are unknown. F-28-1532.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of Ryken & Co., together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by

persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

International Mercantile Marine Company no par value capital stock evidenced by the certificates set forth below for the number of shares indicated:

10-share certificates. 13788, 13789, 13797, 13798, 13809, 13846, 13847, 13848, 13851, 13852, 13875, 13877, 14040, 14041, 14046, 14050, 14058, 14065, 14077.

Pittsburgh Coal Company $100 par value common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. NY 030538, NY 030552, NY 030556, NY 030599, NY 030601, NY 030602, NY 030603, NY 030604, NY 030611, NY 030617, NY 030637.

[F. R. Doc. 51-6712; Filed, June 8, 1951; 8:51 a. m.]

[Vesting Order 17894]

DE TWENTSCHE BANK

In re: Stock registered in the name of De Twentsche Bank, Amsterdam, The Netherlands, and owned by persons whose names are unknown. F-49-836.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of De Twentsche Bank, together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

International Mercantile Marine Co. Cap. no par stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. 984, 990, 1010, 1031.
2-share certificates. 1216, 1218, 1221.

[F. R. Doc. 51-6713; Filed, June 8, 1951; 8:51 a. m.]

[Vesting Order 17895]

LA ROCHE & CO.

In re: Stock registered in the name of La Roche & Co., Basle, Switzerland, and owned by persons whose names are unknown. F-63-5672.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of La Roche & Co., together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property

described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

Southern California Edison Company $25.00 par value common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

100-share certificates. NM-23679, NM-23680.

[F. R. Doc. 51-6714; Filed, June 8, 1951; 8:51 a. m.]

[Vesting Order 17896]

PIERSON & CO.

In re: Stock registered in the name of Pierson & Co., Amsterdam, The Netherlands, and owned by persons whose names are unknown. F-49-1261.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of Pierson & Co., together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

1. Southern Railway Company no par value common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. 5384, 5829, 5845, 5880, 6028, 6039, 6198, 6251, 6662, 7486, 99528, 100193, 100398, 100434, 100435, 100674, 101252, 101964, 102819, 103768, 103381, 103883.

2. Southern Railway Company $100.00 par value old common stock evidenced by the certificate whose number is set forth below for the number of shares indicated:

10-share certificate. 60681.

3. Southern Railway Company preferred stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. 25731, 25958, 26576, 30170, 30276, 30286, 30296, 31126.

[F. R. Doc. 51-6715; Filed, June 8, 1951; 8:51 a. m.]

[Vesting Order 17897]

PIERSON & CO.

In re: Stock registered in the name of Pierson & Co., Amsterdam, The Netherlands, and owned by persons whose names are unknown. F-49-1261.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of Pierson & Co., together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

I. Southern Pacific Company no par value common stock evidenced by the certificate whose number is set forth below for the number of shares indicated:

10-share certificate No. G116979.

II. Pittsburgh Consolidation Coal Company $1.00 par value common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates Nos. P0964/6.

5-share certificate No. P0638.

1-share certificate Nos. P0967/73.

III. Pittsburgh Coal Company $100.00 par value common stock evidenced by the certificates whose numbers are set forth below for the number of shares indicated:

10-share certificates. Pgh. 02566, 02593/5, 02795, 02835, 02837/8, 02868; NY026617/19, 026621, 026757/8, 026765, 026775, 026778, 027533, 027701, 027851, 027869, 027873, 027962/3, 026927, 028289, 029489, 029551, 029663, 030124, 030129/30, 030283, 030326/9, 030335, 030366, 030368, 030373, 030650, 030652, 030662/3, 030647, 030970, 030980, 031209.

[F. R. Doc. 51-6716; Filed, June 8, 1951; 8:51 a. m.]

[Vesting Order 17898]

SOCIETE DE BANQUE SUISSE

In re: Stock registered in the name of Societe de Banque Suisse, Zurich, Switzerland, and owned by persons whose names are unknown. F-63-2748 Zurich.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: Those certain shares of stock described in Exhibit A, set forth below and by reference made a part hereof, registered in the name of Societe de Banque Suisse, together with all declared and unpaid dividends thereon, excepting from the foregoing, however, those shares of stock described in Exhibit A, together with all declared and unpaid dividends thereon, concerning which, on or prior to the effective date of this vesting order, the issuing corporation or its transfer agent in the United States has received a license or a copy of a license removing such property from the restrictions of Executive Order 8389, as amended, or has been advised in writing by a banking institution in the United States of the removal of such restrictions and of the authorization therefor;

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan. The term "banking institution" as used herein shall have the meaning prescribed in section 5F of Executive Order 8389, as amended.

Executed at Washington, D. C., on May 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

34 shares of E. I. duPont de Nemours and Company $20.00 par value common capital stock evidenced by certificate No. E-202861.

[F. R. Doc. 51-6717; Filed, June 8, 1951; 8:51 a. m.]

[Return Order 971]

MRS. HARRY STRAUSS

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, be returned, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Mrs. Harry Strauss, nee Marion Ellen Isenberg, San Francisco, California; Claims Nos. 4465 and 43157; April 6, 1951 (16 F. R. 3024); $4,721.26 in the Treasury of the United States; all right, title, interest and claim of the issue of Mendel Rosenbaum and Bertha Rosenbaum and of Mrs. Harry Strauss, nee Marion Ellen Isenberg, formerly also known as Marion Isenberg, in and to the trust created under the will of Julius Oppenheimer, deceased.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on June 4, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-6720; Filed, June 8, 1951; 8:52 a. m.]

[Return Order 977]

ALEXANDRE KRAMARENKO

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, be returned after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Alexandre Kramarenko, Nice, France; Claim No. 964; April 24, 1951 (16 F. R. 3525). The undivided one-half part of the whole right, title and interest in the property described in Vesting Order No. 667 (8 F. R. 4996, April 17, 1943) relating to U. S. Letters Patent No. 2,182,104 and in Vesting Order No. 1028 (8 F. R. 4205, April 2, 1943) relating to U. S. Patent Application Serial No. 323,684 (now U. S. Letters Patent No. 2,317,236).

This return shall not be deemed to include the rights of any licensees under the above patents.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on June 4, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-6722; Filed, June 8, 1951; 8:52 a. m.]